
Tuesday
March 12, 1996

Federal Register

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- FOR:** Any person who uses the Federal Register and Code of Federal Regulations.
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- WHAT:** Free public briefings (approximately 3 hours) to present:
1. The regulatory process, with a focus on the Federal Register system and the public's role in the development of regulations.
 2. The relationship between the Federal Register and Code of Federal Regulations.
 3. The important elements of typical Federal Register documents.
 4. An introduction to the finding aids of the FR/CFR system.
- WHY:** To provide the public with access to information necessary to research Federal agency regulations which directly affect them. There will be no discussion of specific agency regulations.

WASHINGTON, DC

[Two Sessions]

- WHEN:** March 26, 1996 at 9:00 am
April 23, 1996 at 9:00 am
- WHERE:** Office of the Federal Register Conference Room, 800 North Capitol Street, NW., Washington, DC (3 blocks north of Union Station Metro)
- RESERVATIONS:** 202-523-4538

RALEIGH, NC

- WHEN:** April 16, 1996 at 9:00 am
- WHERE:** Federal Building and U.S. Courthouse, Room 209, 310 New Bern Avenue, Raleigh, NC 27601
- RESERVATIONS:** 1-800-688-9889



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documents on public inspection is available on 202–275–
1538 or 275–0920.

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Proclamation 6870 of March 8, 1996

The President

National Park Week, 1996

By the President of the United States of America

A Proclamation

For millions of visitors every year, America's 369 national parks serve as living examples of the diversity, history, and natural wonders that have always defined this country. We owe a debt of gratitude to the men and women of the National Park Service, whose outstanding work to preserve and protect these treasures ensures that they will be available to educate and enrich generations of Americans to come.

The National Park Service also reaches beyond the boundaries of our parks to share knowledge and expertise with other nations, State and local governments, American Indian tribes and Alaska Natives, agencies, and thousands of organizations and individuals. National Park Service programs are helping community leaders to create green spaces in urban areas from Seattle to Philadelphia; to rehabilitate the historic canal in Augusta, Georgia; and to return grey wolves to Yellowstone, red wolves to the Great Smoky Mountains, big horn sheep to the Rocky Mountains, and the peregrine falcon to parks nationwide.

Our national parks benefit from the work of many citizens dedicated to environmental stewardship and historic preservation. By working directly with the National Park Service or through the National Park Foundation, its congressionally chartered nonprofit corollary, park partners sponsor educational programs, raise funds, provide visitor services, and donate time and materials to support our great public resources. These partners include the Student Conservation Association, the Boy Scouts and Girl Scouts, the National Trust for Historic Preservation, and hundreds of other interested organizations. Drawn from corporations, associations, and communities everywhere, over 100,000 Americans volunteer annually to keep our park system strong.

This year, National Park Week is dedicated to recognizing and celebrating the commitment of the National Park Service and its partners to America's unique historical, cultural, and natural heritage. I urge all the people of the United States to learn more about our national parks, the programs available in their communities, and to seek out opportunities to become a national park partner.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim April 22 through April 28, 1996, as National Park Week.

IN WITNESS WHEREOF, I have hereunto set my hand this eighth day of March, in the year of our Lord nineteen hundred and ninety-six, and of the Independence of the United States of America the two hundred and twentieth.

A handwritten signature in black ink, reading "William J. Clinton". The signature is written in a cursive style with a large, stylized "W" and "C".

[FR Doc. 96-6031

Filed 3-11-96; 8:45 am]

Billing code 3195-01-P

Rules and Regulations

Federal Register

Vol. 61, No. 49

Tuesday, March 12, 1996

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

DEPARTMENT OF AGRICULTURE

Office of Energy

7 CFR Part 2902

Organization and Functions

AGENCY: Office of Energy, USDA.

ACTION: Final rule.

SUMMARY: This document removes the regulations of the Office of Energy (OE) regarding organization and functions to reflect an internal reorganization of the Department of Agriculture (USDA).

EFFECTIVE DATE: March 12, 1996.

FOR FURTHER INFORMATION CONTACT: Susan E. Offutt, Administrator, ERS, U.S. Department of Agriculture, Room 1226, 1301 New York Avenue NW., Washington, DC 20005-4788, (202) 219-0300.

SUPPLEMENTARY INFORMATION: The Freedom of Information Act, 5 U.S.C. 552(a)(1), requires Federal agencies to publish in the Federal Register descriptions of its central and field organizations. Part 2902 of Title 7, Code of Federal Regulations, was issued in accordance with the regulations of the Secretary of Agriculture at 7 CFR 2.88, organization and functions. Pursuant to an internal reorganization of USDA, OE has been integrated into the Economic Research Service (ERS), USDA. This document removes 7 CFR Part 2902. Requests for information relating to OE may be obtained through the ERS Administrator pursuant to 7 CFR Part 3700.

This rule relates to internal agency management. Therefore, pursuant to 5 U.S.C. 553, notice of proposed rulemaking and opportunity for comment are not required, and this rule may be made effective less than 30 days after publication in the Federal Register. Further, since this rule relates to internal agency management, it is exempt from the provisions of Executive

Orders 12988 and 12866. Also, this rule will not cause a significant economic impact or other substantial effect on small entities. Therefore, the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601 et seq., do not apply.

List of Subjects in 7 CFR Part 2902

Organization and Functions.

PART 2902—[REMOVED]

Accordingly, under the authority of 5 U.S.C. 301 and 522; 7 CFR 2.88, 7 CFR Part 2902 is removed.

Done at Washington, DC, this 4th day of March 1996.

Susan E. Offutt,

Administrator, Economic Research Service.
[FR Doc. 96-5800 Filed 3-7-96; 8:45 am]

BILLING CODE 3410-18-M

NUCLEAR REGULATORY COMMISSION

10 CFR Parts 19, 30, 51, 52, and 55

RIN 3150-AF42

Minor Correcting Amendments

AGENCY: Nuclear Regulatory Commission.

ACTION: Final rule.

SUMMARY: The Nuclear Regulatory Commission (NRC) is amending its regulations to correct several miscellaneous errors in the Code of Federal Regulations (CFR). This document is necessary to inform the public of these corrective changes to NRC regulations.

EFFECTIVE DATE: March 12, 1996.

FOR FURTHER INFORMATION CONTACT: Michael T. Lesar, Chief, Rules Review Section, Rules Review and Directives Branch, Division of Freedom of Information and Publications Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Telephone (301) 415-7163.

SUPPLEMENTARY INFORMATION:

Background

The Nuclear Regulatory Commission is amending the regulations in 10 CFR Parts 19, 30, 51, 52, and 55 to correct several miscellaneous errors in regulatory text. These changes in CFR

text occurred in the process of preparing and printing of rulemaking documents.

In particular, under § 30.72, Schedule C, the entry for C-14 only applies to non-carbon dioxide forms. This rule was first published in the Federal Register on April 7, 1989 (54 FR 14051) and the explanatory note for C-14 in the table, as printed in the final rule, appears to read "non CO," rather than "non CO₂." In a subsequent reprinting of § 30.72 in the Code of Federal Regulations, this note was inadvertently omitted. This correction replaces the explanatory note for the C-14 entry in the table.

Because this is an amendment dealing with agency organization, practice, and procedure, the notice and comment provisions of the Administrative Procedure Act do not apply pursuant to 5 U.S.C. 553(b)(A). The amendment is effective upon publication in the Federal Register. Good cause exists to dispense with the usual 30-day delay in the effective date because the amendment is of a minor and administrative nature dealing with corrections to certain CFR sections.

Environmental Impact: Categorical Exclusion

The NRC has determined that this final rule is the type of action described in categorical exclusion 10 CFR 51.22(c)(2). Therefore, neither an environmental impact statement nor an environmental assessment has been prepared for this final rule.

Paperwork Reduction Act Statement

This final rule does not contain a new or amended information collection requirement subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). Existing requirements were approved by the Office of Management and Budget, approval numbers 3150-0044, -0017, -0021, -0151, and -0018.

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10 CFR Part 19

Criminal penalties, Environmental protection, Nuclear materials, Nuclear power plants and reactors, Occupational safety and health, Radiation protection, Reporting and recordkeeping requirements, Sex discrimination.

10 CFR Part 30

Byproduct material, Criminal penalties, Government contracts, Intergovernmental relations, Isotopes,

Nuclear materials, Radiation protection, Reporting and recordkeeping requirements.

10 CFR Part 51

Administrative practice and procedure, Environmental impact statement, Nuclear materials, Nuclear power plants and reactors, Reporting and recordkeeping requirements.

10 CFR Part 52

Administrative practice and procedure, Antitrust, Backfitting, Combined license, Early site permit, Emergency planning, Fees, Incorporation by reference, Inspection, Limited work authorization, Nuclear power plants and reactors, Probabilistic risk assessment, Prototype, Reactor siting criteria, Redress of site, Reporting and recordkeeping requirements, Standard design, Standard design certification.

10 CFR Part 55

Criminal penalties, Manpower training programs, Nuclear power plants and reactors, Reporting and recordkeeping requirements.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; and 5 U.S.C. 552 and 553; the NRC is adopting the following amendments to 10 CFR Parts 19, 30, 51, 52, and 55.

PART 19—NOTICES, INSTRUCTIONS AND REPORTS TO WORKERS: INSPECTION AND INVESTIGATIONS

1. The authority citation for Part 19 continues to read in part as follows:

Authority: Secs. 53, 63, 81, 103, 104, 161, 186, 68 Stat. 930, 933, 935, 936, 937, 948, 955, as amended, sec. 234, 83 Stat. 444, as amended, sec. 1701, 106 Stat. 2951, 2952, 2953 (42 U.S.C. 2073, 2093, 2111, 2133, 2134, 2201, 2236, 2282, 2297f) * * *.

§ 19.2 [Amended]

2. In § 19.2, in the first sentence, add the numeral “70,” between the numeral “61,” and the word “or”.

PART 30—RULES OF GENERAL APPLICABILITY TO DOMESTIC LICENSING OF BYPRODUCT MATERIAL

3. The authority citation for Part 30 continues to read in part as follows:

Authority: Secs. 81, 82, 161, 182, 183, 186, 68 Stat. 935, 948, 953, 954, 955, as amended, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2111, 2112, 2201, 2232, 2233, 2236, 2282) * * *.

§ 30.72 [Amended]

4. In § 30.72, Schedule C, in the “Radioactive material” column, the entry for Carbon-14 is revised to read, “Carbon-14 (non-carbon dioxide).”

PART 51—ENVIRONMENTAL PROTECTION REGULATIONS FOR DOMESTIC LICENSING AND RELATED REGULATORY FUNCTIONS

5. The authority citation for Part 51 continues to read as follows:

Authority: Secs. 161, 68 Stat. 948, as amended, sec. 1701, 106 Stat. 2951, 2952, 2953, as amended (42 U.S.C. 2201, 2297f); secs. 201, as amended, 202, 88 Stat. 1242, as amended, 1244 (42 U.S.C. 5841, 5842) * * *.

§ 51.22 [Amended]

6. In § 51.22, in paragraph (c)(14)(ii), remove the words “10 CFR 35.14 and 35.100” and add “10 CFR 35.18.”

§ 51.123 [Amended]

7. In § 51.123, in paragraphs (a) and (b), remove the words “§ 9.14 of this chapter,” and add the words “§ 9.35 of this chapter.”

PART 52—EARLY SITE PERMITS; STANDARD DESIGN CERTIFICATIONS; AND COMBINED LICENSES FOR NUCLEAR POWER PLANTS

8. The authority citation for Part 52 continues to read as follows:

Authority: Secs. 103, 104, 161, 182, 183, 186, 189, 68 Stat. 936, 948, 953, 954, 955, 956, as amended, sec. 234, 83 Stat. 1244, as amended (42 U.S.C. 2133, 2201, 2232, 2233, 2236, 2239, 2282); secs. 201, 202, 206, 88 Stat. 1242, 1244, 1246, 1248, as amended 42 U.S.C. 5841, 5842, 5846).

9. In Appendix O to Part 52, paragraph 1. is revised to read as follows:

Appendix O To Part 52—
Standardization of Design: Staff Review of Standard Designs

* * * * *

1. Any person may submit a proposed preliminary or final standard design for a nuclear power reactor of the type described in § 50.22 to the regulatory staff for its review. Such a submittal may consist of either the preliminary or final design for the entire reactor facility or the preliminary or final design of major portions thereof.

* * * * *

PART 55—OPERATORS' LICENSES

10. The authority citation for Part 55 continues to read as follows:

Authority: Secs. 107, 161, 182, 68 Stat. 939, 948, 953, as amended, sec. 234, 83 Stat.

444, as amended (42 U.S.C. 2137, 2201, 2232, 2282); secs. 201, as amended, 202, 88 Stat. 1242, as amended, 1244 (42 U.S.C. 5841, 5842).

§ 55.5 [Amended]

11. In § 55.5, paragraph (b)(2)(iii), remove the words “799 Roosevelt Road, Glyn Ellyn, IL 60137,” and add the words “801 Warrenville Road, Lisle, IL 60532–4351.”

Dated at Rockville, Maryland, this 28th day of February 1996.

For the Nuclear Regulatory Commission.

James M. Taylor,

Executive Director for Operations.

[FR Doc. 96–5815 Filed 3–11–96; 8:45 am]

BILLING CODE 7590–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 95–ANE–31]

Alteration of V–423

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This rule alters Federal Airway V–423 due to the decommissioning of the Uplands Nondirectional Beacon (NDB).

EFFECTIVE DATE: 0901 UTC, June 20, 1996.

FOR FURTHER INFORMATION CONTACT: Patricia P. Crawford, Airspace and Obstruction Evaluation Branch (ATP–240), Airspace-Rules and Aeronautical Information Division, Air Traffic Rules and Procedures Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591; telephone: (202) 267–3075.

SUPPLEMENTARY INFORMATION:

The Rule

This amendment to part 71 of the Federal Aviation Regulations alters Federal Airway V–423 due to the decommissioning of the Uplands NDB located in Ottawa, Canada. Specifically, this action eliminates a segment of Federal Airway V–423 due to the decommissioning of that NDB. Because this action is a minor amendment in which the public would not be particularly interested, I find that notice and public procedure under 5 U.S.C. 553(b) are unnecessary. Domestic VOR Federal airways are published in paragraph 6010(a) of FAA Order 7400.9C dated August 17, 1995, and

effective September 16, 1995, which is incorporated by reference in 14 CFR 71.1. The airway listed in this document will be published subsequently in the Order.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a “significant regulatory action” under Executive Order 12866; (2) is not a “significant rule” under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Agreement

In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—[AMENDED]

1. The authority citation for part 71 is revised to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9C, Airspace Designations and Reporting Points, dated August 17, 1995, and effective September 16, 1995, is amended as follows:

Paragraph 6010(a)—Domestic VOR Federal Airways

* * * * *

V-423 [Revised]

From Williamsport, PA; Binghamton, NY; Ithaca, NY; Syracuse, NY; Watertown, NY; INT Watertown 018° radial and the United States/Canadian Border.

* * * * *

Issued in Washington, DC, on March 4, 1996.

Nancy B. Kalinowski,

Acting Manager, Airspace—Rules and Aeronautical Information Division.

[FR Doc. 96–5834 Filed 3–11–96; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 175

[Docket No. 93F–0358]

Indirect Food Additives: Adhesives and Components of Coatings

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the food additive regulations to provide for the safe use of *meta*-tetramethylxylene diisocyanate for reaction with one or more of the polyols and polyesters listed in the adhesive regulations and with dimethylolpropionic acid and trimethylamine, *N*-methyl-diethanolamine, 2-dimethylaminoethanol, 2-dimethylamino-2-methyl-1-propanol, and/or 2-amino-2-methyl-1-propanol in the production of polyurethane resins intended for use as components of adhesive formulations used in food packaging applications. This action is in response to a petition filed by Cytec Industries.

DATES: Effective March 12, 1996; written objections and requests for a hearing by April 11, 1996.

ADDRESSES: Submit written objections to the Dockets Management Branch (HFA–305), Food and Drug Administration, 12420 Parklawn Dr., rm. 1–23, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Vir D. Anand, Center for Food Safety and Applied Nutrition (HFS–216), Food and Drug Administration, 200 C St. SW., Washington, DC 20204, 202–418–3081.

SUPPLEMENTARY INFORMATION: In a notice published in the Federal Register of October 26, 1993 (58 FR 57613), FDA announced that a food additive petition (FAP 3B4401) had been filed by Cytec Industries, c/o Keller and Heckman, 1001 G St. NW., suite 500 West, Washington, DC 20001, proposing that § 175.105 *Adhesives* (21 CFR 175.105) be amended to provide for the safe use of *meta*-tetramethylxylene diisocyanate for reaction with one or more of the polyols and polyesters listed in § 175.105 and with dimethylolpropionic acid and trimethylamine, *N*-methyl-diethanolamine, 2-dimethylaminoethanol, 2-dimethylamino-2-methyl-1-propanol, and/or 2-amino-2-methyl-1-propanol in the production of polyurethane resins intended for use as components of

adhesive formulations used in food packaging applications. This document is also amending § 175.105(c)(5) to correct inconsistencies in the spelling of the Chemical Abstract Service Registry Numbers.

FDA has evaluated data in the petition and other relevant material. The agency concludes that the proposed use of the additive is safe and that 21 CFR 175.105 should be amended as set forth below.

In accordance with § 171.1(h) (21 CFR 171.1(h)), the petition and the documents that FDA considered and relied upon in reaching its decision to approve the petition are available for inspection at the Center for Food Safety and Applied Nutrition by appointment with the information contact person listed above. As provided in 21 CFR 171.1(h), the agency will delete from the documents any materials that are not available for public disclosure before making the documents available for inspection.

The agency has carefully considered the potential environmental effects of this action. FDA has concluded that the action will not have a significant impact on the human environment, and that an environmental impact statement is not required. The agency's finding of no significant impact and the evidence supporting that finding, contained in an environmental assessment, may be seen in the Dockets Management Branch (address above) between 9 a.m. and 4 p.m., Monday through Friday.

Any person who will be adversely affected by this regulation may at any time on or before April 11, 1996, file with the Dockets Management Branch (address above) written objections thereto. Each objection shall be separately numbered, and each numbered objection shall specify with particularity the provisions of the regulation to which objection is made and the grounds for the objection. Each numbered objection on which a hearing is requested shall specifically so state. Failure to request a hearing for any particular objection shall constitute a waiver of the right to a hearing on that objection. Each numbered objection for which a hearing is requested shall include a detailed description and analysis of the specific factual information intended to be presented in support of the objection in the event that a hearing is held. Failure to include such a description and analysis for any particular objection shall constitute a waiver of the right to a hearing on the objection. Three copies of all documents shall be submitted and shall be identified with the docket number found in brackets in the heading of this

document. Any objections received in response to the regulation may be seen in the Dockets Management Branch between 9 a.m. and 4 p.m., Monday through Friday.

List of Subjects in 21 CFR Part 175
Adhesives, Food additives, Food packaging.
Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs and redelegated to

the Director, Center for Food Safety and Applied Nutrition, 21 CFR part 175 is amended as follows:

PART 175—INDIRECT FOOD ADDITIVES: ADHESIVES AND COMPONENTS OF COATINGS

1. The authority citation for 21 CFR part 175 continues to read as follows:
Authority: Secs. 201, 402, 409, 721 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, 342, 348, 379e).

2. Section 175.105 is amended in the table in paragraph (c)(5) by revising the entry for "Polyurethane resins * * *" under the heading "Substances" to read as follows:

§ 175.105 Adhesives.
* * * * *
(c) * * *
(5) * * *

Substances					Limitations
* * * * *					*
Polyurethane resins produced by: (1) reacting diisocyanates with one or more of the polyols or polyesters named in this paragraph, or (2) reacting the chloroformate derivatives of one or more of the polyols or polyesters named in this paragraph with one or more of the polyamines named in this paragraph, or (3) reacting toluene diisocyanate or 4,4'-methylenebis (cyclohexylisocyanate) (CAS Reg. No. 5124-30-1) with one or more of the polyols or polyesters named in this paragraph and with either N-methyldiethanolamine (CAS Reg. No. 105-59-9) and dimethyl sulfate (CAS Reg. No. 77-78-1) or dimethylolpropionic acid (CAS Reg. No. 4767-03-7) and triethylamine (CAS Reg. No. 121-44-8), or (4) reacting meta-tetramethylxylene diisocyanate (CAS Reg. No. 2778-42-9) with one or more of the polyols and polyesters listed in this paragraph and with dimethylolpropionic acid (CAS Reg. No. 4767-03-7) and triethylamine (CAS Reg. No. 121-44-8), N-methyldiethanolamine (CAS Reg. No. 105-59-9), 2-dimethylaminoethanol (CAS Reg. No. 108-01-0), 2-dimethylamino-2-methyl-1-propanol (CAS Reg. No. 7005-47-2), and/or 2-amino-2-methyl-1-propanol (CAS Reg. No. 124-68-5).					
* * * * *					*

Dated: March 1, 1996.
Fred R. Shank,
Director, Center for Food Safety and Applied Nutrition.
[FR Doc. 96-5812 Filed 3-11-96; 8:45 am]
BILLING CODE 4160-01-F

DEPARTMENT OF DEFENSE

Department of the Navy

32 CFR Part 706

Certifications and Exemptions Under the International Regulations for Preventing Collisions at Sea, 1972; Amendment

AGENCY: Department of the Navy, DOD.
ACTION: Final rule.

SUMMARY: The Department of the Navy is amending its certifications and exemptions under the International Regulations for Preventing Collisions at Sea, 1972 (72 COLREGS), to reflect that the Deputy Assistant Judge Advocate General (Admiralty) of the Navy has determined that USS PAUL HAMILTON (DDG 60) is a vessel of the Navy which, due to its special construction and purpose, cannot fully comply with certain provisions of the 72 COLREGS without interfering with its special functions as a naval ship. The intended effect of this rule is to warn mariners in waters where 72 COLREGS apply.
EFFECTIVE DATE: February 26, 1996.

FOR FURTHER INFORMATION CONTACT: Captain R. R. Pixa, JAGC, U.S. Navy, Admiralty Counsel, Office of the Judge Advocate General, Navy Department, 200 Stovall Street, Alexandria, VA 22332-2400, Telephone number: (703) 325-9744.
SUPPLEMENTARY INFORMATION: Pursuant to the authority granted in 33 U.S.C. 1605, the Department of the Navy amends 32 CFR Part 706. This amendment provides notice that the Deputy Assistant Judge Advocate General (Admiralty) of the Navy, under authority delegated by the Secretary of the Navy, has certified that USS PAUL HAMILTON (DDG 60) is a vessel of the Navy which, due to its special construction and purpose, cannot fully comply with the following specific provisions of 72 COLREGS without interfering with its special function as a naval ship: Annex I, paragraph 3(a), pertaining to the location of the forward masthead light in the forward quarter of the vessel, the placement of the after masthead light, and the horizontal distance between the forward and after masthead lights; Annex I, paragraph 2(f)(i) pertaining to placement of the masthead light or lights above and clear of all other lights and obstructions; Annex I, paragraph 3(c) pertaining to placement of task lights not less than two meters from the fore and aft centerline of the ship in the athwartship direction; and, Rule 21(a), pertaining to the masthead light unbroken arc of

visibility over an arc of the horizon of 225 degrees and visibility from right ahead to abaft the beam of 22.5 degrees. The Deputy Assistant Judge Advocate General (Admiralty) has also certified that the lights involved are located in closest possible compliance with the applicable 72 COLREGS requirements.
Moreover, it has been determined, in accordance with 32 CFR Parts 296 and 701, that publication of this amendment for public comment prior to adoption is impracticable, unnecessary, and contrary to public interest since it is based on technical findings that the placement of lights on this vessel in a manner differently from that prescribed herein will adversely affect the vessel's ability to perform its military functions.

List of Subjects in 32 CFR Part 706
Marine safety, Navigation (water), and Vessels.
Accordingly, 32 CFR Part 706 is amended as follows:

PART 706—[AMENDED]

1. The authority citation for 32 CFR Part 706 continues to read:
Authority: 33 U.S.C. 1605.
2. Table Five of § 706.2 is amended by revising the entry for USS PAUL HAMILTON (DDG 60) as follows:

§ 706.2 Certifications of the Secretary of the Navy under Executive Order 11964 and 33 U.S.C. 1605.

* * * * *

TABLE FIVE

Vessel	No.	Masthead lights not over all other lights and obstructions. annex I, sec. 2(f)	Forward masthead light not in forward quarter of ship. annex I, sec. 3(a)	After masthead light less than 1/2 ship's length aft of forward masthead light. annex I, sec. 3(a)	Percentage horizontal separation attained
USS PAUL HAMILTON	DDG 60	X	X	X	20.4

Dated: February 25, 1996.

R. R. Pixa,
Captain, JAGC, U.S. Navy, Deputy Assistant Judge Advocate General (Admiralty).

[FR Doc. 96-5837 Filed 3-11-96; 8:45 am]

BILLING CODE 3810-FF-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 51, 52, and 60

[AD-FRL-5437-8]

RIN 2060-AC42

Standards of Performance for New Stationary Sources and Guidelines for Control of Existing Sources: Municipal Solid Waste Landfills

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule and guideline.

SUMMARY: This action adds subparts WWW and Cc to 40 CFR part 60 by promulgating standards of performance for new municipal solid waste landfills and emission guidelines for existing municipal solid waste landfills. This action also adds the source category "municipal solid waste landfills" to the priority list in 40 CFR Part 60, § 60.16, for regulation under section 111 of the Clean Air Act. These standards and emission guidelines implement section 111 of the Clean Air Act and are based on the Administrator's determination that municipal solid waste landfills cause, or contribute significantly to, air pollution that may reasonably be anticipated to endanger public health or welfare. The emissions of concern are non-methane organic compounds

(NMOC) and methane. NMOC include volatile organic compounds (VOC), hazardous air pollutants (HAPs), and odorous compounds. VOC emissions contribute to ozone formation which can result in adverse effects to human health and vegetation. Ozone can penetrate into different regions of the respiratory tract and be absorbed through the respiratory system. The health effects of exposure to HAPs can include cancer, respiratory irritation, and damage to the nervous system. Methane emissions contribute to global climate change and can result in fires or explosions when they accumulate in structures on or off the landfill site. The intended effect of the standards and guidelines is to require certain municipal solid waste landfills to control emissions to the level achievable by the best demonstrated system of continuous emission reduction, considering costs, nonair quality health, and environmental and energy impacts. **EFFECTIVE DATE:** Effective on March 12, 1996.

ADDRESSES: Background Information Document. The background information document for the promulgated standards may be obtained from the U.S. EPA Library (MD-35), Research Triangle Park, North Carolina 27711, telephone number (919) 541-2777. Please refer to "Air Emissions from Municipal Solid Waste Landfills—Background Information for Final Standards and Emission Guidelines," EPA-453/R-94-021. The Background Information Document contains: (1) A summary of all the public comments made on the proposed standards and the Notice of Data Availability as well as the Administrator's response to these

comments, (2) a summary of the changes made to the standards since proposal, and (3) the final Environmental Impact Statement, which summarizes the impacts of the standards.

Docket. Docket No. A-88-09, containing supporting information used in developing the promulgated standards, is available for public inspection and copying between 8:00 a.m. and 4:00 p.m., Monday through Friday, except for Federal holidays at the following address: U.S. Environmental Protection Agency, Air and Radiation Docket and Information Center (MC-6102), 401 M Street SW., Washington, DC 20460 [phone: (202) 260-7548]. The docket is located at the above address in Room M-1500, Waterside Mall (ground floor). A reasonable fee may be charged for copying.

FOR FURTHER INFORMATION CONTACT: For information on the regulation of municipal solid waste landfills, contact Ms. Martha Smith, Waste and Chemical Processes Group, Emission Standards Division (MD-13), U.S. Environmental Protection Agency, Research Triangle Park, North Carolina 27711, telephone number (919) 541-2421.

SUPPLEMENTARY INFORMATION:

Judicial Review

Under section 307(b)(1) of the Clean Air Act, judicial review of the actions taken by this notice is available *only* by the filing of a petition for review in the U.S. Court of Appeals for the District of Columbia Circuit within 60 days of today's publication of this rule. Under section 307(b)(2) of the Clean Air Act, the requirements that are the subject of today's notice may not be challenged

later in civil or criminal proceedings brought by the EPA to enforce these requirements.

The following outline is provided to aid in locating information in the introductory text (preamble) to the final standards.

I. Acronyms, Abbreviations, and Measurement Units

- A. Acronyms
- B. Abbreviations and Measurement Units
- C. Conversion Factors and Commonly Used Units

II. Background

III. Summary of Considerations in Developing the Standards and Emission Guidelines

- A. Purpose of the Regulation
- B. Technical Basis of the Regulation
- C. Stakeholders and Public Involvement

IV. Summary of the Standards, Emission Guidelines, and Methods

V. Impacts of the Standards and Emission Guidelines

- A. Environmental Impacts
- B. Cost and Economic Impacts

VI. Significant Changes to the Proposed Standards and Emission Guidelines

- A. Design Capacity Exemption
- B. Emission Rate Cutoff
- C. Collection System Design Specifications
- D. Timing for Well Placement
- E. Operational Standards
- F. Surface Emission Monitoring
- G. Model Default Values

VII. Permitting

- A. New Source Review Permits
- B. Operating Permits

VIII. Administrative Requirements

- A. Docket
- B. Paperwork Reduction Act
- C. Executive Order 12866
- D. Executive Order 12875
- E. Unfunded Mandate Reform Act
- F. Regulatory Flexibility Act
- G. Miscellaneous

I. Acronyms, Abbreviations, and Measurement Units

The following definitions, acronyms, and measurement units are provided to clarify the preamble to the final rule.

A. Acronyms

BDT—best demonstrated technology
 BID—background information document
 CAA—Clean Air Act
 CERCLA—Comprehensive Environmental Response, Compensation, and Liability Act
 EG—emission guideline(s)
 EPA—Environmental Protection Agency
 FR—Federal Register
 HAP—hazardous air pollutant
 LFG—landfill gas
 MSW—municipal solid waste
 NMOC—nonmethane organic compounds
 NPV—net present value
 NSPS—new source performance standards

NSR—new source review
 OMB—Office of Management and Budget

PSD—prevention of significant deterioration

RCRA—Resource Conservation and Recovery Act

VOC—volatile organic compound(s)

B. Abbreviations and Measurement Units

J/scm—joules per standard cubic meter

m—meter

Mg—megagram

mm—millimeter

ppm—parts per million

ppmv—parts per million by volume

tpy—tons per year

yr—year

C. Conversion Factors and Commonly Used Units

1 meter = 3.2808 feet

1 megagram = 1.1023 tons = 2204.6 pounds

1 cubic meter = 35.238 cubic feet = 1.3069 cubic yards

1 cubic meter = 0.0008101 acre-feet

Degrees Celsius = (degrees Fahrenheit – 32)/1.8

II. Background

The United States Environmental Protection Agency (EPA) originally considered regulating MSW landfill emissions under a RCRA subtitle D rulemaking. However, the Administrator decided to regulate MSW landfill emissions under the authority of the CAA, and announced the decision in the Federal Register on August 30, 1988 (53 FR 33314). The EPA decided to propose regulation of new MSW landfills under section 111(b) of the CAA and to propose EG for existing MSW landfills under section 111(d).

The EPA published a proposal of this NSPS and EG in the Federal Register on May 30, 1991 (56 FR 24468).

Following the receipt of new data and changes in the modeling techniques, the EPA published a Notice of Data Availability in the Federal Register on June 21, 1993 (56 FR 33790).

Under the authority of section 111(b)(1)(A) of the CAA, today's notice adds the source category MSW landfills to the priority list in 40 CFR 60.16 because, in the judgement of the Administrator, it contributes significantly to air pollution which may reasonably be anticipated to endanger public health and welfare. Further rationale for this finding is contained in section 1.1.1 of the promulgation BID (EPA-453/R-94-021).

Today's notice promulgates the final NSPS and EG for MSW landfills. The promulgation BID "Air Emissions from

Municipal Solid Waste Landfills—Background Information for Final Standards and Guidelines" (EPA 453/R-94-021) summarizes all public comments on the proposed NSPS and EG and the EPA responses. For further discussion of stakeholder and public involvement in the development of the rules see section III.C. of this preamble.

Recent information suggests that mercury might be emitted from landfills. The EPA is still looking at the possibility and will take action as appropriate in the future under the landfill national emission standards for hazardous air pollutants.

III. Summary of Considerations in Developing the Standards and Emission Guidelines

A. Purpose of the Regulation

Landfill gas emissions contain methane, carbon dioxide, and more than 100 different NMOC, such as vinyl chloride, toluene, and benzene. Studies indicate that MSW landfill gas emissions can at certain levels have adverse effects on both public health and welfare. The EPA presented concerns with the health and welfare effects of landfill gases in the preamble to the proposed regulations (56 FR 24468).

Briefly, specific health and welfare effects from LFG emissions are as follows: NMOC contribute to ozone formation; some NMOC are known or suspected carcinogens, or cause other noncancer health effects; NMOC can cause an odor nuisance; methane emissions present a well-documented danger of fire and explosion on-site and off-site, and contribute to global climate change as a major greenhouse gas. Today's rules will serve to significantly reduce these potential problems associated with LFG emissions.

B. Technical Basis of the Regulation

Today's regulations are based on extensive data analysis and consideration of several alternatives. Prior to proposal, the EPA developed an extensive data base, using survey information from approximately 1,200 landfills, along with emissions information from literature, State and local agencies, and industry test reports. The preamble to the proposed regulations presented a detailed discussion of the data used to develop the rule and the regulatory alternatives considered (56 FR 24476).

After proposal, the EPA continued to gather new information and received new data through public comments. The EPA published this new information in a Notice of Data Availability on June 21, 1993 (56 FR 33790). In addition to

public comments, the EPA held consultations with industry under the authority of Executive Order 12875 (See section VIII of this document for a detailed discussion of the Executive Order).

Based on the new information, the EPA re-assessed the impacts of the alternatives and made changes to the final regulation. The most significant changes to the regulation are summarized in section VI of this preamble. Detailed rationales for these changes as well as more minor changes are provided in the final BID (EPA 453/R-94-021).

In keeping with the EPA's common sense initiative, several of the changes were made to streamline the rule and to provide flexibility. Examples of this streamlining and increased flexibility include focusing control on the largest landfills, removing the gas collection system prescriptive design specifications, and more reasonable timing for the installation of collection wells. All of these changes are discussed further in section VI of this preamble.

C. Stakeholders and Public Involvement

Prior to proposal, in accordance with section 117 of the CAA, the EPA had consultations with appropriate advisory committees, independent experts, Federal departments and agencies. In addition, numerous discussions were held with industry representatives and trade associations.

After proposal, the EPA provided interested persons the opportunity to comment at a public hearing and through a written comment period. Comment letters were received from 60 commenters including industry representatives, governmental entities, environmental groups, and private citizens. A public hearing was held in Research Triangle Park, North Carolina, on July 2, 1991. This hearing was open to the public and five persons presented oral testimony on the proposed NSPS and EG.

On June 21, 1993, a supplemental notice of data availability to the May 30, 1991 proposal appeared in the Federal Register (58 FR 33790). The notice announced the availability of additional data and information on changes in the EPA's modelling methodology being used in the development of the final NSPS and EG for MSW landfills. Public comments were requested on the new data and comment letters were received from seven commenters.

Since the Notice of Data Availability, the EPA has held several consultations with State, local, and industry representatives in accordance with the October 26, 1993 Executive Order 12875

on *Enhancing the Intergovernmental Partnership*.

Major concerns expressed by participants in the consultations were identified by the EPA. These concerns included: the design capacity exemption level, collection system design and monitoring flexibility, and timing of well placement. These concerns and others raised at proposal and clarified in the consultations were addressed by revising the rule as described in section VI of this preamble.

IV. Summary of the Standards, Emission Guidelines, and Methods

The affected facility under the NSPS is each new MSW landfill. MSW landfills are also subject to the requirements of RCRA (40 CFR 257 and 258). A new MSW landfill is a landfill for which construction, modification, or reconstruction commences on or after the proposal date of May 30, 1991 or that began accepting waste on or after that date.

The EG require control for certain existing MSW landfills. An existing MSW landfill is a landfill for which construction commenced prior to May 30, 1991. An existing MSW landfill may be active, i.e., currently accepting waste, or have additional capacity available to accept waste, or may be closed, i.e., no longer accepting waste nor having available capacity for future waste deposition. The designated facility under the EG is each existing MSW landfill that has accepted waste since November 8, 1987.

The final rules (both the NSPS and EG) require affected and designated MSW landfills having design capacities below 2.5 million Mg or 2.5 million cubic meters to file a design capacity report. Affected and designated MSW landfills having design capacities greater than or equal to 2.5 million Mg or 2.5 million cubic meters are subject to the additional provisions of the standards or EG.

The final standards and EG for MSW landfill emissions require the periodic calculation of the annual NMOC emission rate at each affected or designated facility with a maximum design capacity greater than or equal to 2.5 million Mg or 2.5 million cubic meters. Those that emit more than 50 Mg/yr are required to install controls.

The final rules provide a tier system for calculating whether the NMOC emission rate is less than or greater than 50 Mg/yr, using a first order decomposition rate equation. The tier system does not need to be used to model the emission rate if an owner or operator has or intends to install controls that would achieve compliance.

Chapter 1 of the promulgation BID (EPA 453/R-94-021) presents a complete discussion of the components of the tier system.

The BDT for both the NSPS and the EG requires the reduction of MSW landfill emissions from new and existing MSW landfills emitting 50 Mg/yr of NMOC or more with: (1) A well-designed and well-operated gas collection system and (2) a control device capable of reducing NMOC in the collected gas by 98 weight-percent.

A well-designed and well-operated collection system would, at a minimum: (1) Be capable of handling the maximum expected gas generation rate; (2) have a design capable of monitoring and adjusting the operation of the system; and (3) be able to collect gas effectively from all areas of the landfill that warrant control. Over time, new areas of the landfill will require control, so collection systems should be designed to allow expansion by the addition of further collection system components to collect gas, or separate collections systems will need to be installed as the new areas require control.

The BDT control device is a combustion device capable of reducing NMOC emissions by 98 weight-percent. While energy recovery is strongly recommended, the cost analysis is based on open flares because they are applicable to all affected and designated facilities regulated by the standards and EG. If an owner or operator uses an enclosed combustor, the device must demonstrate either 98-percent NMOC reduction or an outlet NMOC concentration of 20 ppmv or less. Alternatively, the collected gas may be treated for subsequent sale or use, provided that all emissions from any atmospheric vent from the treatment system are routed to a control device meeting either specification above.

The standards and EG require that three conditions be met prior to capping or removal of the collection and control system: (1) The landfill must be permanently closed under the requirements of 40 CFR 258.60; (2) the collection and control system must have been in continuous operation a minimum of 15 years; and (3) the annual NMOC emission rate routed to the control device must be less than the emission rate cutoff on three successive dates, between 90 and 180 days apart, based upon the site-specific landfill gas flow rate and average NMOC concentration.

Section VI.E. of this preamble describes a new section of the NSPS, § 60.753, "Operational Standards for Collection and Control Systems." The EG also refer to this section. The

provisions in this section include: (1) Collection of gas from each area, cell or group of cells in which non-asbestos degradable solid waste has been placed for a period of 5 years or more for active areas or 2 years or more for closed areas; (2) operation of the collection system with each wellhead under negative pressure, with a nitrogen level less than or equal to 20 percent (revised from 1 percent in the proposal, based on public comments) or an oxygen level less than or equal to 5 percent (a new provision); (3) operation with a landfill gas temperature less than 55 °C (a new provision) at each well transporting the collected gases to a treatment or control device designed and operated in compliance with § 60.752(b)(2)(iii) of the NSPS and operated at all times when the collected gas is vented to it; and (4) a requirement that the collection system be operated to limit the surface methane concentration to 500 ppm or less over the landfill as determined according to a specified monitoring pattern.

Owners and operators must determine compliance with the standards for the collection systems and control devices according to § 60.755. Changes made to the final compliance determination and monitoring procedures as a result of comments are discussed in detail in the BID (EPA 453/R-94-021). The §§ 60.757 and 60.758 of the NSPS and § 60.35(c) of the EG contain recordkeeping and reporting requirements. Changes have been made to the recordkeeping and reporting requirements to allow for

consistency with the final compliance requirements.

V. Impacts of the Standards and Emission Guidelines

A. Environmental Impacts of Promulgated Action

The estimated environmental impacts have changed somewhat from those presented in the preamble to the proposed regulations as a result of changes in the final rules and changes in the estimation methodology. These changes were made in response to public comments. Additional data were also incorporated and are described in the supplemental Notice of Data Availability (56 FR 33790). The analysis of environmental impacts presented in this document, along with the proposal and promulgation BID's, and memoranda in the docket constitute the Environmental Impact Statement for the final standards and guidelines.

For most NSPS, emission reductions and costs are expressed in annual terms. In the case of the NSPS and EG for landfills, the final regulations require controls at a given landfill only after the increasing NMOC emission rate reaches the level of the regulatory cutoff. The controls are applied when the emissions exceed the threshold, and they must remain in place until the emissions drop below the cutoff. However, this process could take as long as 50 to 100 hundred years for some landfills. During the control period, costs and emission reductions will vary from year to year. Therefore, the annualized numbers for any impact will change from year to

year. Because of the variability of emission reductions and costs of the final standards and EG over time, the EPA judged that the NPV of an impact is a more valuable tool in the decision process for landfills and has used NPV in the development of both the proposal and final nationwide impacts. The NPV is computed by discounting the capital and operating costs and emission reductions that will be incurred throughout the control periods to arrive at a measure of their current value. In this way, the NPV accounts for the unique emission patterns of landfills when evaluating nationwide costs and benefits over different discrete time periods for individual sources. Thus, the impacts presented include both annualized estimates and estimates expressed in terms of NPV in 1992.

1. Air Emissions

The methodology for estimating the impacts of the NSPS and EG is discussed in the proposal BID and in memoranda in the docket. The analysis of impacts for the NSPS is based on new landfills (beginning construction after May 30, 1991) that are projected to begin accepting waste over the first 5 years of the standards. The NPV of the emission reduction achieved by the final standards is estimated to be 79,300 Mg, which reflects a 50 percent reduction from the NPV of the baseline emissions of 160,000 Mg. Substantial reduction of methane emissions is also achieved. Table 1 presents the emission reductions of the final NSPS in annualized values as well as NPV.

TABLE 1.—SUMMARY OF EMISSION REDUCTION AND COST IMPACTS FOR THE NSPS

	NPV	Annualized
Baseline NMOC Emissions ^a (Mg)	160,000	13,400
NMOC Emission Reductions (Mg)	79,300	4,860
% NMOC Emission Reduction	50%	36%
Baseline Methane Emissions ^a (Mg)	10,600,000	899,000
Methane Emission Reduction ^b (Mg)	3,890,000	193,000
% Methane Emission Reduction	37%	21%
Cost (Million \$)	97	4

^a In the absence of an NSPS. This does not include landfills closed prior to November 8, 1987.

^b This does not include landfills expected to undertake profitable energy recovery.

For existing landfills, the NPV of the NMOC emission reduction achieved by the final EG is estimated to be 1.1 million Mg, or a 53 percent reduction from a baseline of 2.07 million Mg (NPV). The NPV of the methane reduction is estimated to be 47 million

Mg. Table 2 presents the emission reductions of the final EG in annualized values as well as NPV. Note that the baseline methane emissions do not include landfills closed prior to November 8, 1987, and that methane reductions shown in Tables 1 and 2 do

not include landfills expected to undertake profitable energy recovery. Total methane reductions are anticipated to be on the order of 7 million megagrams in the year 2000.

TABLE 2.—SUMMARY OF EMISSION REDUCTION AND COST IMPACTS FOR THE EMISSION GUIDELINES

	NPV	Annualized
Baseline NMOC Emissions ^a (Mg)	2,070,000	145,000
NMOC Emission Reductions (Mg)	1,100,000	77,600
% NMOC Emission Reduction	53%	54%
Baseline Methane Emissions ^b (Mg)	120,000,000	8,440,000
Methane Emission Reduction (Mg)	47,000,000	3,370,000
% Methane Emission Reduction	39%	40%
Cost (Million \$)	1,278	90

^a In the absence of EG. This does not include landfills closed prior to November 8, 1987.

^b This does not include landfills expected to undertake profitable energy recovery.

As existing landfills are filled, closed, and replaced by new landfills, the actual annual emissions reductions achieved by the guidelines will decrease, while the reductions achieved by the standards will increase.

Certain by-product emissions, such as NO_x, CO, SO_x, and particulates, may be generated by the combustion devices used to reduce air emissions from MSW landfills. The types and quantities of these by-product emissions vary depending on the control device. However, by-product emissions are very low compared to the achievable NMOC and methane emission reductions. Chapters 4 and 6 of the proposal BID (EPA-450/3-90-011a) present additional information about the magnitude of potential secondary air impacts.

2. Water

Landfill leachate is the primary potential source of water pollution from a landfill. Although there is no data on the effect of gas collection on leachate composition, the amount of water pollution present as NMOC in the leachate may be reduced under these standards and guidelines.

When LFG is collected, organics and water are condensed inside the header pipes of the gas collection system. This waste also contains NMOC and various toxic substances present in the LFG. The pH of this condensate is normally adjusted by adding caustic at the landfill and then routing it to a public treatment works where it would be treated and discharged. At this time, there is insufficient data available to quantify the effects of the rule on leachate.

3. Solid Waste

The final NSPS and EG will likely have little impact on the quantity of solid waste generated nationwide. Aside from the disposal of the collection and control system equipment once it can be removed from the landfill, no other solid wastes are expected to be generated by the required controls. The increased cost of landfill operation

resulting from the control requirements may cause greater use of waste recycling and other alternatives to landfill disposal, leading to a decrease in landfill use. However, quantification of such an impact is not possible at this time.

4. Superfund Sites

Municipal solid waste landfill sites comprise approximately 20 percent of the sites placed by the EPA on the national priorities list. Often, remedial actions selected at these sites include venting methane and volatile organic contaminants, which would be controlled as necessary to protect human health and the environment.

The final NSPS and EG may affect remedial actions under Superfund for MSW landfills. Section 121(d)(2) of CERCLA requires compliance with the substantive standards of applicable or relevant and appropriate requirements (ARAR) of certain provisions in other environmental laws when selecting and implementing on-site remedial actions. "Applicable" requirements specifically address a hazardous substance, pollutant, contaminant, remedial action, location, or other circumstance at a Superfund site. "Relevant and appropriate" requirements are not legally applicable, but may address problems or situations sufficiently similar to those encountered so that their use is well suited to a particular site. See 40 CFR 300.5 (55 FR 8814, 8817, March 8, 1990).

These air emission rules will apply to new MSW landfills, as well as to those facilities that have accepted waste since November 8, 1987, or that have capacity available for future use. For CERCLA municipal landfill remediations, these requirements would be potential ARAR for all Records of Decision signed after the date of promulgation. These NSPS and EG will be applicable for those MSW landfill sites on the national priorities list that accepted waste on or after November 8, 1987, or that are operating and have capacity for future use. These standards may also be

determined relevant and appropriate for sites that accepted wastes prior to November 8, 1987. The determination of relevance and appropriateness is made on a site-specific basis pursuant to 40 CFR 300.400(g) (55 FR 8841, March 8, 1990). Because the NSPS and EG apply only to landfills with design capacities greater than or equal to 2.5 million Mg or 2.5 million cubic meters, the collection and control requirements may not be relevant and appropriate for smaller landfills.

Given the significant public policy benefits that result from the collection and processing of landfill gas, Congress, as part of the 1986 SARA Amendments, enacted CERCLA Section 124 to provide broad liability protection for companies engaged in landfill gas recovery or processing. Landfill gas emissions, in addition to being a significant source of air pollution, can leach underground and cause explosions in nearby residences. If recovered, landfill gas could supply as much as 1 percent of the U.S. energy requirements.

CERCLA Section 124 states that owners or operators of equipment installed "for the recovery or processing (including recirculation of condensate) of methane" shall not be liable as a CERCLA "owner or operator" under CERCLA Section 101 (20) nor shall they be deemed "to have arranged for disposal or treatment of any hazardous substance* * *" pursuant to CERCLA Section 107. Exceptions are provided (1) where a release is primarily caused by activities of the landfill gas owner/operator or (2) where such owner/operator would be otherwise liable due to activities unrelated to methane recovery.

Since passage of CERCLA section 124, methane emissions have been targeted by the EPA as a large contributor to global warming (18 percent) and landfills are one of the largest source of methane emissions (36 percent). Because of this, the EPA's Atmospheric Pollution Prevention Division has initiated the Landfill Methane Outreach Program to promote landfill gas

collection projects at the 750 landfills where methane could profitably be recovered. Methane recovery, as compared with collection and flaring of landfill gas without recovery, results in significantly less emissions. It also can greatly reduce the financial burden on local governments (as well as taxpayers) since the energy recovered can be sold to utilities or other consumers and thereby create a revenue stream that may cover the costs of collection and recovery.

The EPA is aware that the standards and guidelines promulgated today for control of emissions at municipal solid waste landfills may change the focus of the landfill gas collection and processing for methane recovery. The landfill gas owner/operator will now need to consider how the collection and recovery of methane will impact on controlling the MSW landfill emissions. It is also likely that the landfill gas owner/operator will be asked to advise and in some cases help implement the MSW landfill's compliance obligations. These related objectives, the control of emissions at municipal solid waste landfills in order to comply with the Clean Air Act Amendments and the reduction of methane emissions in order to mitigate global warming, will need to be coordinated in carrying out common activities such as laying a system of collection piping at a given landfill.

In promulgating today's standards and guidelines, the EPA wants to promote the policy incorporated in CERCLA Section 124. Recognizing the chilling effect that potential CERCLA liability might otherwise have on landfill gas collection or processing activities, the EPA interprets CERCLA Section 124 in a manner that will encourage the beneficial recovery of methane. Specifically, EPA believes that Congress intended Section 124 to provide liability protection to owners and operators of equipment for the recovery or processing of methane with respect to all phases involved in landfill gas collection and methane processing. This includes any assistance (related to recovery or processing of methane) provided by the landfill gas equipment owner or operator to the landfill owner/operator for achieving compliance with the emission standards promulgated today or similar Federal, State, or local controls on landfill emissions. In general, Section 124 will be interpreted in a manner to provide owners and operators of equipment for the recovery or processing of methane with comprehensive protection from CERCLA liability, unless the release or threatened release was primarily caused by activities of the owners and operators

of the equipment, or unless such owners or operators would be otherwise liable under CERCLA.

B. Energy and Economic Impacts of Promulgated Action

The energy and economic impacts are summarized in chapter 1 and fully discussed in chapter 3 and appendix A of the promulgation BID (EPA-453/R-94-021). The estimated impacts have changed somewhat as a result of changes in the final rules and changes in the impacts estimation methodology made in response to public comments.

1. Energy Impacts

Affected and designated landfills with NMOC emission rates of 50 Mg/yr or more are required to install a gas collection system and control device. The gas collection system would require a relatively small amount of energy to run the blowers and the pumps. If a flare is used for control, auxiliary fuel should not be necessary because of the high heat content of LFG, commonly 1.86×10^7 J/scm or more. If a recovery device such as an internal combustion (I.C.) engine or a gas turbine is used, an energy savings would result.

The EPA evaluated the overall energy impacts resulting from the use of flares, I.C. engines, or gas turbines for control of collected emissions at all affected landfills. The least cost control option was identified by taking the NPV costs of the three control options (flares, I.C. engines, and turbines), including any cost savings from the use of recovered landfill gas, and determining the option that costs the least. If landfills use the least cost control device, it is estimated that the NSPS will produce \$170 million of energy revenue as NPV in 1992. The EG are estimated to generate \$1.5 billion of energy revenue as NPV in 1992, if the least cost control device is used.

2. Control Costs and Economic Impacts

Nationwide annualized costs for collection and control of air emissions from new MSW landfills are estimated to be \$4 million. The nationwide cost of the EG would be approximately \$90 million. These values are annualized costs. Tables 1 and 2 present costs in both annualized and NPV values. In comparison to other solid waste-related rules, the nationwide costs of the recently promulgated RCRA Subtitle D (40 CFR 257 and 258) rule are estimated to be \$300 million per year and the estimated nationwide costs of the MWC rules promulgated in 1991 are estimated to be \$170 million per year for new combustors and \$302 million per year

for existing combustors (56 FR 5488 and 5514).

The incremental costs and benefits of the different options are presented in tables 3, 4, 5, and 6 in section VIII.E. For NMOC, the average cost effectiveness is approximately \$1,200/Mg for both the NSPS and the EG. Preliminary economic analysis indicates that the annual cost of waste disposal may increase by an average of approximately \$0.60 per Mg for the NSPS and \$1.30 per Mg for the EG. Costs per household would increase approximately \$2.50 to \$5.00 per year, when the household is served by a new or existing landfill, respectively. Additionally, less than 10 percent of the households would face annual increases of \$15 or more per household as a result of the final EG. However, the EPA anticipates that many landfills will elect to use energy recovery systems, and costs per household for those areas would be less. The EPA has concluded that households would not incur severe economic impacts. For additional information, please refer to the regulatory impact analysis (Docket No. A-88-09, Item No. IV-A-7) and chapter 3 of the promulgation BID (EPA-453/R-94-021).

VI. Significant Changes to the Proposed Standards and Emission Guidelines

All of the significant public comments received on the proposed standards and EG and the Notice of Data Availability are addressed in the promulgation BID (EPA-453/R-94-021). This section of the preamble reviews the major changes to the standards and EG resulting from public comments. A more detailed rationale for these changes is provided in chapters 1 and 2 of the promulgation BID (EPA-453/R-94-021).

A. Design Capacity Exemption

A design capacity exemption of 100,000 Mg was included in the proposed NSPS and EG to relieve owners and operators of small landfills that the EPA considered unlikely to emit NMOC above the emission rate cutoff requiring control from undue recordkeeping and reporting responsibilities. Commenters indicated that the exemption level was too low, and would still impact many small businesses and municipalities. In response to these comments and as a result of changes to the nationwide impacts analysis, the design capacity exemption in the final NSPS was revised to 2.5 million Mg. The 2.5 million Mg exemption level would exempt 90 percent of the existing landfills while only losing 15 percent of the total NMOC emission reduction. Most of the exempt landfills are owned

by municipalities. The 2.5 million Mg level was chosen to relieve as many small businesses and municipalities as possible from the regulatory requirements while still maintaining significant emission reduction.

This cutoff excludes those landfills who would be least able to afford the costs of a landfill gas collection and control system and are less likely to have successful energy recovery projects. However, depending on site-specific factors including landfill gas characteristics and local markets, some landfills smaller than the design capacity exemption level may be able to make a profit by installing collection and control systems that recover energy. While the rule does not require control of landfills smaller than 2.5 million Mg, the EPA encourages energy recovery in cases where it is profitable. The EPA has developed a Landfill Methane Outreach Program to encourage more widespread utilization of landfill gas as an energy source. Information can be obtained by calling the Landfill Methane Outreach Program Hotline at (202) 233-9042. Available publications are identified in section 1.2.1 of the promulgation BID.

Since some landfills record waste by volume and have their design capacities calculated in volume, the EPA also established an equivalent design capacity exemption of 2.5 million m³ of waste. The density of solid waste within different landfills varies depending on several factors, including the compaction practices. Any landfill that reports waste by volume and wishes to establish a mass design capacity must document the basis for their density calculation.

B. Emission Rate Cutoff

Some commenters asserted that the proposed emission rate cutoff of 150 Mg/yr should be made more stringent, while others favored the proposal cutoff or higher. The commenters favoring the more stringent level indicated that the EPA's data on NMOC concentration, the benefits of energy recovery and reduced global warming, and the reduced health risks all supported an increased stringency level.

The Climate Change Action Plan, signed by the President in October, 1993, calls for EPA to promulgate a "tough" landfill gas rule as soon as possible. This initiative also supports a more stringent emission rate cutoff that will achieve greater emission reduction.

Due to the small-size exemption, only landfills with design capacities greater than 2.5 million Mg of waste or 2.5 million cubic meters of waste will be affected by this rule. It is estimated that a landfill of 2.5 million Mg design

capacity corresponds to cities greater than about 125,000 people. On the whole, large landfills service areas with large population. A reasonable assumption is that many of these large landfills are in the 400 counties that have been designated as urban ozone nonattainment areas and are developing plans to address ozone nonattainment.

Finally, the new data and modeling methodologies, which were published in the Notice of Data Availability on June 21, 1993, significantly reduced the emission reduction and corresponding effectiveness of the rule. Therefore, a more stringent emission rate cutoff would achieve similar emission reductions at similar cost effectiveness to the proposed rule.

Based on all of these reasons, the EPA reevaluated the stringency level and chose an emission rate cutoff of 50 Mg/yr of NMOC for the final rules. This revision would affect more landfills than the proposal value of 150 Mg/yr of NMOC; however, the 50 Mg/yr of NMOC will only affect less than 5 percent of all landfills and is estimated to reduce NMOC emissions by approximately 53 percent and methane emissions by 39 percent. The 150 Mg/yr emission rate cutoff would have reduced NMOC emissions by 45 percent and methane emissions by 24 percent. The incremental cost effectiveness of control of going from a 150 Mg/yr cutoff level to a 50 Mg/yr cutoff level is \$2,900/Mg NMOC reduction for new landfills and \$3,300/Mg for existing landfills.

The values for NMOC cost effectiveness do not include any credit for the benefits for toxics, odor, explosion control, or the indirect benefit of methane control. A revised cost effectiveness could be calculated with an assumed credit value for one or more of the other benefits. As an example, assuming a \$30/Mg credit for the methane emission reduction, the incremental cost effectiveness from the proposal cutoff of 150 Mg/yr to the final cutoff of 50 Mg/yr would be reduced to \$660/Mg NMOC.

C. Collection System Design Specifications

Commenters indicated that the proposed design specifications for the collection system were overly prescriptive, discouraged innovation, and did not prevent off-site migration of LFG. In the new § 60.759 for design specifications, certain criteria still require proper landfill gas collection; however, the proposed design specifications for the LFG collection system were removed from the final regulations. Instead, the final rule

allows sources to design their own collection systems. Design plans must meet certain requirements and be signed by a registered professional engineer, and are subject to agency approval. These changes were made to provide flexibility and encourage technological innovation.

D. Timing for Well Placement

The proposed regulations required the installation of collection wells at applicable landfills within 2 years of initial waste placement. Commenters indicated that the installation of wells within 2 years was not practiced at many landfills, because many cells were still active (receiving waste) 2 years after initial placement. Collection wells installed at these cells would have to be covered over, which would decrease the operational life of the well and be costly and inefficient.

The proposed timing for the placement of collection wells has been revised to reduce costs and better coincide with common operational practices at MSW landfills. The final regulation allows for well installation up to 5 years from initial waste placement for active cells. An area that reaches final grade or closure must install collection wells within 2 years of initial waste placement.

E. Operational Standards

In response to commenters concerns about the operation of collection systems, the final NSPS contains a new section, § 60.753, "Operational Standards for Collection and Control Equipment." Various operational provisions that had previously been located throughout the proposed rule have been organized under this one section, and new provisions on collection and control systems have been added. The new section addresses the following areas: (1) Collection of gas from active areas containing solid waste older than 5 years (changed from 2 years at proposal); (2) operation of the collection system with negative pressure at each wellhead (except as noted in the rule); (3) operation of the collection system with a landfill temperature less than 55° (or a higher established temperature) and either an N₂ level less than or equal to 20 percent or an O₂ level less than or equal to 5 percent; (4) operation of the collection system with a surface concentration less than 500 ppm methane; (5) venting all collected gases to a treatment or control device; and (6) operation of the treatment or control device at all times when the collected gas is routed to the control device. The numerical requirements (for the N₂ or O₂ levels, landfill temperature,

and surface concentration) are new requirements that will verify that the system is being adequately operated and maintained. In conjunction with the new operational provisions, the compliance, testing and monitoring sections were revised to reference and support these new or relocated provisions.

F. Surface Emission Monitoring

Numerous commenters asserted that the proposed rules did not address surface methane emissions resulting from insufficient well spacing or from breaks in the cover material. The commenters recommended that monitoring of surface emissions be required to ensure the proper operation of collection system equipment. Upon further analysis, the EPA decided to require surface emission monitoring and the maintenance of negative pressure at all wells, except under specified conditions, to ensure proper collection system design and operation. Based on information submitted by commenters, a maximum surface concentration of 500 ppm methane should be demonstrated to indicate proper operation of the collection system. Monitoring is to be done quarterly, with provisions for increasing monitoring and corrective procedures if readings above 500 ppm are detected. Instrumentation specifications, monitoring frequencies, and monitoring patterns have been structured to provide clear and straightforward procedures that are the minimum necessary to assure compliance.

G. Model Default Values

The EPA received additional data after proposal on the model defaults that were included in the tier system calculations. These default values are used to calculate whether the NMOC concentration is above the cutoff level for control requirements of 50 Mg/yr. The new information received lead the EPA to revise the default values for the site-specific methane generation rate constant (k), the methane generation potential (L_0), and the NMOC concentration (C_{NMOC}). In the absence of site-specific data, the landfill owner or operator would use the default values for k , L_0 , and C_{NMOC} in order to estimate the annual NMOC emission rate. More information on the model defaults may be found in the final BID (EPA-453/R-94-021) and the memorandum "Documentation of Small-Size Exemption Cutoff Level and Tier 1 Default Values (Revised)," October 21, 1993, (Docket No. A-88-09, Item No. IV-B-5).

The Tier 1 default values of k , L_0 , and C_{NMOC} tend to overstate NMOC emission rates for most landfills, and are intended to be used to indicate the need to install a collection and control system or perform a more detailed Tier 2 analysis. It is recommended that these default values not be used for estimating landfill emissions for purposes other than the NSPS and EG. The EPA document "Compilation of Air Pollution Emission Factors" (AP-42) provides emission estimation procedures and default values that can be used for emissions inventories and other purposes.

VII. Permitting

A. New Source Review Permits

Today's rulemaking under section 111(b) establishes a new classification of pollutants subject to regulation under the CAA: "MSW landfill emissions." Therefore, PSD rules now apply to all subject stationary sources which have increases in landfill gas above the significance level, 50 tpy or more of NMOC. Landfills below the 2.5 million Mg design capacity exemption, which are not required by the regulations to install controls, may exceed this significance level. In this case, the State will need to determine if controls should be installed for purposes of PSD or NSR compliance.

The proposed significance level for MSW landfill emissions of 40 tpy of NMOC was changed to 50 tpy after consideration of public comments. The PSD significance level for VOC emissions is 40 tpy. At proposal, the landfill gas emission level was set at 40 tpy of NMOC to be consistent with the 40 tpy level for VOC. However, NMOC contains organic compounds that are not VOC. An NMOC emission rate of roughly 50 tpy corresponds to a VOC emission rate of 40 tpy.

The components of MSW landfill emissions that are regulated as pollutants or precursors of an air pollutant listed under section 108 of the CAA are also regulated by other provisions of CAA as applicable. For example, the components of MSW landfill emissions that are emitted as photochemically reactive VOCs are regulated, as applicable, under the nonattainment provisions for ozone contained in part D of title I of the CAA.

B. Operating Permits

Section 502 of the CAA and § 70.3(a) require any source subject to standards or regulations under section 111 of the CAA to obtain part 70 operating permits. However, landfills below 2.5 million Mg design capacity are not

subject to standards under section 111 because they are not required to put on controls and are not subject to emission limits. These landfills are subject to a reporting requirement under the section 111 rule; however, this requirement determines applicability of the standard and does not make them "subject" for the purposes of part 70. Consequently, landfills below 2.5 million Mg design capacity are not subject to part 70, provided they are not major sources; and this is stated in § 60.752(a) of the rule. If landfills below 2.5 million Mg design capacity are major sources, they must obtain a part 70 permit under the same deadlines and requirements that apply to any other major source. States may request additional information to verify whether landfills have the potential to emit at major source levels.

For landfills above the 2.5 million Mg design capacity exemption, part 70 operating permits are required. These landfills are subject to emission limits and will most often be major sources. Since landfill emissions increase over time, a landfill over 2.5 million Mg may not be major in the beginning; however, as the landfill progresses to capacity, it may become major. Many of the landfills above the 2.5 million Mg exemption will be required to collect and control the gas under the regulation. The issuance of a permit will also help enforce and implement the standard. Therefore, the EPA has decided to require permits for all landfills with design capacities above 2.5 million Mg, whether or not the landfill will be required to install a collection and control system.

The regulation also provides for termination of operating permits. Landfill emissions, unlike emissions from other source categories, decrease over time after the landfill is closed. If a landfill has closed and a control system was never required or the conditions for control system removal specified in the regulation have been met, an operating permit is no longer necessary.

VIII. Administrative Requirements

A. Docket

The docket (Docket No. A-88-09) is an organized and complete file of all the information considered by the EPA in the development of this rulemaking. The docket is a dynamic file, since material is added throughout the rulemaking development. The docketing system is intended to allow members of the public and industries involved to readily identify and locate documents so that they can effectively participate in the rulemaking process. Along with

the statement of basis and purpose of the proposed and promulgated standards and the EPA responses to significant comments, the contents of the docket, except for interagency review materials, will serve as the record in case of judicial review [section 307(d)(7)(A)].

B. Paperwork Reduction Act

The information collection requirements in this rule have been submitted for approval to the Office of Management and Budget (OMB) under the Paperwork Reduction Act, 44 U.S.C. 3501 et seq. An Information Collection Request (ICR) document has been prepared by the EPA (ICR No. 1557.03) and a copy may be obtained from Sandy Farmer, OPPE Regulatory Information Division; U.S. Environmental Protection Agency (2137); 401 M St., S.W.; Washington, DC 20460, or by calling (202) 260-2740. The information requirements are not effective until OMB approves them.

The information required to be collected by this rule is necessary to identify the regulated entities who are subject to the rule and to ensure their compliance with the rule. The recordkeeping and reporting requirements are mandatory and are being established under authority of section 114 of the Act. All information submitted as part of a report to the Agency for which a claim of confidentiality is made will be safeguarded according to the Agency policies set forth in title 40, chapter 1, part 2, subpart B—Confidentiality of Business Information (see 40 CFR 2; 41 FR 36902, September 1, 1976, amended by 43 FR 39999, September 28, 1978; 43 FR 42251, September 28, 1978; 44 FR 17674, March 23, 1979).

The total annual reporting and recordkeeping burden for this collection, averaged over the first 3 years of the NSPS applicability to new MSW landfills, is estimated to be 3,379 person hours per year. This is the estimated burden for 299 respondents (e.g., MSW landfill owners/operators) per year, at an estimated annual reporting and recordkeeping burden averaging 11.3 hours per respondent. The rule requires an initial one-time notification of landfill design capacity. If the landfill is larger than the design capacity cutoff, annual reports are required. The capital cost to purchase required monitoring equipment is \$8,100 per monitor. The total annualized capital and startup costs for purchase of monitoring equipment are \$80,250. The total national annual cost burden including all labor costs and annualized capital costs for

recordkeeping and reporting is \$188,850.

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

C. Executive Order 12866

Under Executive Order 12866, (58 FR 51735 (October 4, 1993)) the EPA must determine whether the regulatory action is "significant" and therefore subject to OMB review and the requirements of the Executive Order. The Order defines "significant regulatory action" as one that is likely to result in a rule that may: (1) Have an annual effect on the economy of \$100 million or more or adversely effect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or Tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlement, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles met forth in the Executive Order.

Pursuant to the terms of Executive Order 12866, this action was submitted to OMB for review. Changes made in response to OMB suggestions or recommendations are documented in the public record.

D. Executive Order 12875

To reduce the burden of Federal regulations on States and small governments, the President issued E.O. 12875 on October 26, 1993. Under E.O. 12875, the EPA is required to consult with representatives of affected State, local, and tribal governments. Because this regulatory action imposes costs to the private sector and government entities in excess of \$100 million per year, the EPA pursued the preparation

of an unfunded mandates statement, consultations, and other requirements of the Unfunded Mandates Reform Act. The requirements are met as presented under the following unfunded mandates section (section VIII.E of this notice).

E. Unfunded Mandate Reform Act

Under section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, the EPA must prepare a statement to accompany any rule where the estimated costs to State, local, or tribal governments, or to the private sector, will be \$100 million or more per year. Section 203 requires the Agency to establish a plan for informing and advising any small governments that may be significantly or uniquely affected by the rule. Section 204 requires that the Agency "to the extent permitted in law, develop an effective process to permit elected officers of State, local, and tribal governments * * * to provide meaningful and timely input in the development of regulatory proposals containing significant Federal intergovernmental mandates". Under section 205(a), the EPA must select the "least costly, most cost-effective or least burdensome alternative that achieves the objectives of the rule" and is consistent with statutory requirements.

The unfunded mandates statement under section 202 must include: (1) A citation of the statutory authority under which the rule is proposed, (2) an assessment of the costs and benefits of the rule including the effect of the mandate on health, safety and the environment, and the Federal resources available to defray the costs, (3) where feasible, estimates of future compliance costs and disproportionate impacts upon particular geographic or social segments of the nation or industry, (4) where relevant, an estimate of the effect on the national economy, and (5) a description of the EPA's consultation with State, local, and tribal officials.

Because this rule is estimated to impose costs to the private sector and governments entities in excess of \$100 million per year (based on tenth or fifteenth year annualized values), it is considered a significant regulatory action.

The EPA has thus prepared the following statement with respect to sections 202 through 205 of the Unfunded Mandates Act.

1. Statutory Authority

As discussed in section II of this preamble, the statutory authority for this rulemaking is section 111 of the CAA. The rule establishes emission guidelines

for existing MSW landfills and standards of performance for new MSW landfills. Section 111(a)(1) of the requires that standards of performance for new sources reflect the—

* * * degree of emission limitation and the percentage reduction achievable through application of the best technological system of continuous emission reduction which (taking into consideration the cost of achieving such emission reduction, any nonair quality health and environmental impact and energy requirements) the Administrator determines has been adequately demonstrated.

Section 111(d) requires emission guidelines for existing sources to reflect a similar degree of emission reduction.

These systems are referred to as BDT for new and existing sources.

Properly operated gas collection and control systems achieving 98 percent emission reduction have been demonstrated on landfills of the size affected by the standards and EG, and represent BDT. Control technologies and their performance are discussed in the preamble to the proposed rules (56 FR 24476, May 30, 1991).

In selecting BDT, the EPA also considered which landfills should be required to apply collection and control systems. A range of landfill design capacity and emission rate cutoffs were evaluated, as described below in section 2.b "Regulatory Alternatives Considered." The promulgated standards contain a design capacity exemption of 2.5 million Mg or 2.5 million cubic meters and an emission rate cutoff of 50 Mg NMOC/yr.

The EPA considered emission reduction, costs, and energy requirements, as required by the statutory language of section 111 of the CAA, in selecting the promulgated standards and EG. The promulgated standards represent BDT. They achieve significant reductions in landfill gas emissions—a 53 percent reduction in NMOC emissions, and a 39 percent reduction in methane reduction emissions nationwide. The cost impacts of the standards are presented in section V.B and in section VII.E.2 (below). The public entities and affected industries who were consulted, as required by the Unfunded Mandates Reform Act, understand the cost impacts and

support the final rules (see Section 4, "Consultation with Government Officials" below). The energy impacts are discussed in section V.B of this notice. To the extent energy recovery devices are used to comply with the rules, the rules will result in a net energy savings (production of energy).

Compliance with section 205(a): Regarding the EPA's compliance with section 205(a), the EPA did identify and consider a reasonable number of alternatives, and presents a summary of these below. The EPA has chosen to adopt the alternative with a size cutoff of 2.5 million Mg capacity, and 50 Mg/yr emissions. The incremental cost effectiveness of this 50 Mg/yr option is \$6,250 per ton of NMOC reduced (versus the less stringent 75 Mg/yr option). This cost effectiveness is much higher than is typical for NMOC (or VOC) controls in NSPSs. However, the EPA also considers the reductions in methane achieved by this 50 Mg/yr option as necessary to "achieve the objectives" of section 111. The additional methane reductions achieved by this option are also an important part of the total carbon reductions identified under the Administration's 1993 Climate Change Action Plan. The EPA thus concludes that the chosen alternative is the most cost-effective to achieve the objectives of section 111, as called for in section 205(a).

2. Social Costs and Benefits

This assessment of the cost and benefits to State, local, and tribal governments of the guidelines is based on EPA's "Economic Impact Analysis for Proposed Emission Standards and Guidelines for Municipal Solid Waste Landfills" and updates to the analysis contained in "Air Emissions from Municipal Solid Waste Landfills—Background Information for Final Standards and Guidelines" (EPA-453/R-94-021). Measuring the social costs of the guidelines requires identification of the affected entities by ownership (public or private), consideration of regulatory alternatives, calculation of the regulatory compliance costs for each affected entity, and assessment of the market implications of the additional pollution control costs. Considering the social benefits of the guidelines requires

estimating the anticipated reductions in emissions at MSW landfills due to regulation and identifying the harmful effects of exposure to MSW landfill emissions. Quantitative valuation of the expected benefits to society was not done for this rule.

a. *Affected Entities.* The standards of performance for new sources will require control of approximately 43 new landfills constructed in the first 5 years the standards are in effect. The EG will require control of approximately 312 existing landfills. This represents less than 5 percent of the total number of landfills in the U.S.

Of the landfills required to install controls, about 30 percent of the existing landfills and 20 percent of the new landfills are privately owned. The remainder are publicly owned. (These percentages are taken from section 3.2.1 of the promulgation BID (EPA-453/R-94-021). While that analysis used a design capacity exemption level of 1 million Mg rather than the 2.5 million Mg exemption level contained in the final rule, the percentage of private versus publicly owned landfills would be similar.

b. *Regulatory Alternatives Considered.* Under section 205 of the Unfunded Mandates Act, the Agency must identify and consider a reasonable number of regulatory alternatives before promulgating a rule for which a budgetary impact statement must be prepared. The Agency must select from those alternatives the least costly, most cost-effective, or least burdensome alternative that achieves the objectives of the rule, unless the Agency explains why this alternative is not selected or the selection of this alternative is inconsistent with the law.

A number of alternatives were considered. These included design capacity exemption levels of 1, 2.5, and 3 million Mg and emission rate cutoffs of 50, 75, 100, and 150 Mg/year. Table 3 presents the impacts of alternative design capacity exemption levels for existing landfills. Table 4 presents the impacts of alternative emission rate cutoffs for existing landfills. Tables 5 and 6 present alternative design capacity exemption levels and emission rate cutoffs for new landfills.

TABLE 3.—ALTERNATIVE DESIGN CAPACITY EXEMPTION LEVEL OPTIONS FOR THE EMISSION GUIDELINES ^{a,b}.

Small size cutoff (millions Mg)	Number landfills affected	Annual ^c NMOC emission reduction (Mg/yr)	Annual ^d methane emission reduction (Mg/yr)	Annual cost (million \$/yr)	NMOC average cost eff. (\$/Mg)	NMOC Incremental cost eff. (\$/Mg)
Baseline ^e 3,000,000	273	73,356	3,220,000	84	1,145	1,145

TABLE 3.—ALTERNATIVE DESIGN CAPACITY EXEMPTION LEVEL OPTIONS FOR THE EMISSION GUIDELINES ^{a,b}—Continued

Small size cutoff (millions Mg)	Number landfills affected	Annual ^c NMOC emission reduction (Mg/yr)	Annual ^d methane emission reduction (Mg/yr)	Annual cost (million \$/yr)	NMOC average cost eff. (\$/Mg)	NMOC Incremental cost eff. (\$/Mg)
2,500,000	312	77,600	3,370,000	89	1,147	1,178
1,000,000	572	97,600	3,990,000	119	1,219	1,500
No cutoff ^f	7,299	142,000	8,270,000	719	5,063	13,514

^a Emission rate cutoff level of 50 Mg NMOC/yr.^b All values are fifth year annualized.^c NMOC emission reductions are from a baseline of 145,000 Mg NMOC/yr.^d Methane emission reductions are from a baseline of 8,400,000 Mg methane/yr.^e In the absence of an emission guidelines.^f No emission rate cutoff and no design capacity exemption level.TABLE 4.—ALTERNATIVE NMOC EMISSION RATE STRINGENCY LEVEL OPTIONS FOR THE EMISSION GUIDELINES ^{a,b}

Emission rate cutoff (Mg NMOC/yr)	Number landfills affected	Annual ^c NMOC emission reduction (Mg/yr)	Annual ^d methane emission reduction (Mg/yr)	Annual cost (million \$/yr)	NMOC average cost eff. (\$/Mg)	NMOC Incremental cost eff. (\$/Mg)
Baseline ^e						
150	142	66,600	2,210,000	51	766	766
100	201	72,700	2,720,000	66	908	2,459
75	250	76,000	3,080,000	79	1,039	3,939
50	312	77,600	3,370,000	89	1,147	6,250
No cutoff ^f	7,299	142,000	8,270,000	719	5,063	9,783

^a Design capacity exemption level of 2,500,000 Mg of refuse.^b All values are fifth year annualized.^c NMOC emission reductions are from a baseline of 145,000 Mg NMOC/yr.^d Methane emission reductions are from a baseline of 8,400,000 Mg methane/yr.^e In the absence of an emission guidelines.^f No emission rate cutoff and no design capacity exemption level.TABLE 5.—ALTERNATIVE DESIGN CAPACITY EXEMPTION LEVEL OPTIONS FOR THE NEW SOURCE PERFORMANCE STANDARDS ^{a, b}

Small size cutoff (millions Mgr)	Number landfills affected	Annual ^c NMOC emission reduction (Mg/yr)	Annual ^d methane emission reduction (Mg/yr)	Annual ^e cost (million \$/yr)	NMOC average cost eff. (\$/Mg)	NMOC ^f Incremental cost eff. (\$/Mg)
Baseline ^g						
3,000,000	41	4,900	193,000	4	816	N/A
2,500,000	43	4,900	193,000	4	816	N/A
1,000,000	89	4,900	193,000	4	816	N/A
No cutoff ^h	872	13,115	881,000	81	6,176	N/A

^a Emission rate cutoff level of 50 Mg NMOC/yr.^b All values are fifth year annualized.^c NMOC emission reductions are from a baseline of 13,400 Mg NMOC/yr.^d Methane emission reductions are from a baseline of 899,000 Mg methane/yr.^e Due to rounding off to the nearest million dollar, cost values do not appear to change for each option. However, actual costs are slightly less for a less stringent option.^f Because the annual cost does not change enough to show a different cost from one option to the next, incremental cost effectiveness values are not applicable.^g In the absence of a standard.^h No emission rate cutoff and no design capacity exemption level.TABLE 6.—ALTERNATIVE NMOC EMISSION RATE STRINGENCY LEVEL OPTIONS FOR THE NEW SOURCE PERFORMANCE STANDARDS ^{a, b}

Emission rate cutoff (Mg NMOC/yr)	Number landfills affected	Annual ^{c,d} NMOC emission reduction (Mg/yr)	Annual ^{c,e} methane emission reduction (Mg/yr)	Annual ^f cost (million \$/yr)	NMOC average cost eff. (\$/Mg)	NMOC ^g Incremental cost eff. (\$/Mg)
Baseline ^h						
150	14	5,200	187,000	4	769	NA
100	25	5,100	203,000	4	784	NA
75	33	5,000	194,000	4	800	NA

TABLE 6.—ALTERNATIVE NMOC EMISSION RATE STRINGENCY LEVEL OPTIONS FOR THE NEW SOURCE PERFORMANCE STANDARDS ^{a,b}—Continued

Emission rate cutoff (Mg NMOC/yr)	Number landfills affected	Annual ^{c,d} NMOC emission reduction (Mg/yr)	Annual ^{c,e} methane emission reduction (Mg/yr)	Annual ^f cost (million \$/yr)	NMOC average cost eff. (\$/Mg)	NMOC ^g incremental cost eff. (\$/Mg)
50	43	4,900	193,000	4	816	NA
No Cutoff ⁱ	872	13,115	881,000	81	6,176	NA

^a Design capacity exemption level of 2,500,000 Mg of refuse.

^b All values are fifth year annualized.

^c Because of the small number of landfills and the longer time period of control for a given landfill at a more stringent option, the average annual emission reduction appears to decrease for a more stringent option. However, the emission reduction for a given year increase for more stringent options.

^d NMOC emission reductions are from a baseline of 13,400 Mg NMOC/yr.

^e Methane emission reductions are from a baseline of 899,000 Mg NMOC/yr.

^f Due to rounding off to the nearest million dollar, cost values do not appear to change for each option. However, actual costs are slightly less for a less stringent option.

^g Because the annual cost does not change enough to show a different cost from one option to the next, incremental cost effectiveness values are not applicable.

^h In the absence of a standard.

ⁱ No emission rate cutoff and no design capacity exemption level.

The design capacity cutoff of 2.5 million Mg or 2.5 million cubic meters was chosen as a result of changes to the nationwide impacts analysis and to relieve as many small businesses and municipalities as possible from the regulatory requirements while still maintaining significant emission reduction. The 2.5 million Mg cutoff level exempts landfills that serve populations of less than about 125,000 people from periodic reporting and control requirements. This cutoff excludes those landfills who would be least able to afford the costs of a landfill gas collection and control system. A less stringent design capacity exemption level (e.g., 3 million Mg) was not selected because it would result in less emissions reductions. A more stringent design capacity exemption level (e.g., 1 million Mg) was not selected because it would increase the number of landfills required to apply control by over 80 percent (572 vs. 312 existing landfills) while only achieving an additional 25 percent NMOC emission reduction (see table 3). It would also increase national costs and subject smaller government entities to the regulatory requirements, since smaller governments typically operate smaller landfills.

The emission rate cutoff of 50 Mg/yr of NMOC was chosen because, in conjunction with the 2.5 million Mg design capacity cutoff, it will require control of less than 5 percent of all landfills, yet is estimated to reduce NMOC emissions by approximately 53 percent and methane emissions by 39 percent. The Climate Change Action Plan, signed by the President in October 1993, calls for the EPA to promulgate a "tough" landfill gas rule as soon as possible.

The average cost effectiveness is about \$1,150/Mg NMOC (see table 4). While the incremental cost effectiveness for NMOC control of going from a cutoff of 75 Mg/yr to a 50 Mg/yr cutoff is high (\$6,250/Mg NMOC), this value does not include any credit for the benefits of toxics, odor, explosion control, or the indirect benefit of methane control. The economic analysis indicated that the final rule (including the 50 Mg/yr cutoff level) would cause a relatively small increase in waste disposal costs compared to the current costs and would not result in severe economic impacts on households (see section C. "Social Costs" below).

A more stringent option (e.g., no cutoff) was not chosen because the average and incremental cost and cost effectiveness was not reasonable (see table 4). Less stringent emission rate cutoff levels were not chosen because they result in less NMOC and methane reduction, and would not be consistent with the section 111 statutory requirement to base emission standards on BDT.

The public entities with whom the EPA consulted understood the EPA's concerns regarding the loss of emission reductions by changing the proposed capacity exemption level from 100,000 Mg to 5 million Mg and agreed that 2.5 million relieved 90 percent of the landfills from the burden of regulation and was reasonable.

c. *Social Costs.* The regulatory compliance costs of reducing air emissions from MSW landfills include the total and annualized capital costs; operating and maintenance costs; monitoring, inspection, recordkeeping, and reporting costs; and total annual costs. The annualized capital cost is calculated using a 7 percent discount

rate. The total annual cost is calculated as the sum of the annualized capital cost; operating and maintenance costs; and the monitoring, inspection, recordkeeping, and reporting costs.

The total nationwide annualized cost for collection and control of air emissions from new MSW landfills are estimated to be \$4 million. The nationwide costs of the EG for existing landfills is estimated to be about \$90 million. The annual cost of waste disposal is estimated to increase by an average of \$0.60/Mg for the NSPS and \$1.30/Mg for the EG. Costs per household would increase by approximately \$2.50 to \$5.00 per year for households served by a new or existing landfill, respectively, that is required to install a collection and control system. Because the rule requires control of only about 5 percent of the landfills in the U.S. many households would experience no increase in disposal costs. Furthermore, if affected landfills choose to use energy recovery systems, the cost per household in those areas would be less. The EPA has concluded that households would not incur severe economic impacts. For additional information, please refer to the regulatory impacts analysis (Docket No. A-88-09, Item IV-A-7) and chapter 3 of the promulgation BID (EPA-453/R-94-021). There are no Federal funds available to assist State and local governments in meeting these costs.

d. *Social Benefits.* Society will benefit from the NSPS and EG through the reduction of landfill gas emissions, including NMOC and methane reductions. The total nationwide annualized emission reduction of the EG is estimated to be 77,600 Mg/yr of NMOC and 3,370,000 Mg/yr of methane.

The total nationwide annualized emission reduction for the NSPS is about 4,900 Mg/yr of NMOC and 881,000 Mg/yr of methane.

The NMOC's present several hazards to human health. The NMOC's participate in chemical reactions leading to the formation of ozone, which causes health effects. Also, certain NMOC's have cancer risks and cause noncancer health effects.

Ozone is created by sunlight acting on NO_x and NMOC's in ambient air. Ozone leads to alterations in pulmonary function, aggravation of pre-existing respiratory disease, damage to lung structure, and adverse effects on blood enzymes, the central nervous system, and endocrine systems. Ozone also warrants control due to its welfare effects, specifically, reduced plant growth, decreased crop yield, necrosis of plant tissue, and deterioration of certain synthetic materials such as rubber (Docket No. A-88-09, Item Nos. II-A-26, II-I-16, etc.).

There is also concern about cancer risks from landfill NMOC emissions. In reviewing limited emissions data from MSW landfills, EPA identified both known and suspected carcinogens such as benzene, carbon tetrachloride, chloroform, ethylene dichloride, methylene dichloride, perchloroethylene, trichloroethylene, vinyl chloride, and vinylidene chloride. Prior to proposal, the EPA attempted to apply statistical methods to the limited data to generate the average annual increased cancer incidence and the maximum individual risk (MIR). In evaluating the result of the calculations for annual incidence and MIR, the EPA could not determine reasonable estimates of either an annual incidence or the MIR. The EPA concluded, at proposal, that the uncertainties in the database are too great to calculate credible estimates of the cancer risks associated with MSW landfills.

Another benefit of the NSPS and EG is reduced fire explosion hazard through reduction of methane emissions. The EPA has documented many cases of acute injury and death caused by explosions and fires related to municipal landfill gas emissions. In addition to these health effects, the associated property damage is a welfare effect. Furthermore, when the migration of methane and the ensuring hazard are identified, adjacent property values can be adversely affected (Docket No. A-88-09, Item Nos. II-I-6, II-I-7, etc.).

Another aspect of MSW landfill emissions is the offensive odor associated with landfills. While the nature of the wastes themselves contribute to the problem of odor, the

gaseous decomposition products are often characteristically malodorous and unpleasant. Various welfare effects may be associated with odors, but due to the subjective nature of the impact and perception of odor, it is difficult to quantify these effects. Studies indicate that unpleasant odors can discourage capital investment and lower the socioeconomic status of an area. Odors have been shown to interfere with daily activities, discourage facility use, and lead to a decline in property values, tax revenues, and payroll (Docket No. A-88-09, Item Nos. II-I-6, II-I-7, etc.).

An ancillary benefit from regulating air emissions from MSW landfills is a reduction in the contribution of MSW landfill emissions to global emissions of methane. Methane is a major greenhouse gas, and is 20 to 30 times more potent than CO₂ on a molecule-per-molecule basis. This is due to the radiative characteristics of methane and other effects methane has on atmospheric chemistry. There is a general concern within the scientific community that the increasing emissions of greenhouse gases could lead to climate change, although the rate and magnitude of these changes are uncertain.

In conclusion, while the social benefits of the rule have not been quantified, significant health and welfare benefits are expected to result from the reduction in landfill gas emissions caused by the rule.

3. Effects on the National Economy

The Unfunded Mandates Act requires that the EPA estimate "the effect" of this rule—

"on the national economy, such as the effect on productivity, economic growth, full employment, creation of productive jobs, and international competitiveness of the U.S. goods and services, if and to the extent that the EPA in its sole discretion determines that accurate estimates are reasonably feasible and that such effect is relevant and material."

As stated in the Unfunded Mandates Act, such macroeconomic effects tend to be measurable, in nationwide econometric models, only if the economic impact of the regulation reaches 0.25 to 0.5 percent of gross domestic product (in the range of \$1.5 billion to \$3 billion). A regulation with a smaller aggregate effect is highly unlikely to have any measurable impact in macroeconomic terms unless it is highly focused on a particular geographic region or economic sector. For this reason, no estimate of this rule's effect on the national economy has been conducted.

4. Consultation with Government Officials

The Unfunded Mandates Act requires that the EPA describe the extent of the EPA's consultation with affected State, local, and tribal officials, summarize the officials' comments or concerns, and summarize the EPA's response to those comments or concerns. These goals were addressed through meetings held with a number of public entities over the course of six months. Those entities included the US Conference of Mayors, the National League of Cities, the National Governor's Association, the National Association of Counties, and the Solid Waste Association of North America (SWANA). Through these meetings, these entities were informed of the rule, educated about it, and advised as to whether or not they would be impacted by it. These initial education and information sharing meetings were followed by meetings in which consultations and analysis of various alternatives took place. Documentation of all meetings and public comments can be found in Docket A-88-09.

Various concerns were discussed during the meetings. These concerns included: (1) The design capacity cutoff; (2) collection wells, their costing and installation requirements; (3) design specifications for collection systems; (4) well head nitrogen measurement of 20 percent; and (5) the surface monitoring requirements.

As a result of these consultations, the EPA decided to modify the final regulatory package to address these concerns. In the final regulatory package promulgated today: (1) The design capacity cutoff has been raised from the proposed level of 100,000 to 2.5 million Mg; (2) Changes were made to the way the costing algorithm calculates the number of vertical collection wells. The rule was also changed to require active areas to install wells 5 years from initial waste placement instead of 2 years. Closed areas or areas at final grade must install a collection system within 2 years; (3) Prescriptive design specifications have been removed from the rule and replaced with general criteria. The EPA is developing an Enabling Document to assist State and local permitting agencies in their review of designs; (4) Well head pressure monitoring can meet either 20 percent nitrogen or 5 percent oxygen; (5) Surface monitoring is to be done quarterly instead of monthly, not to exceed 500 ppm methane above background.

These changes were made in response to consultations held regarding burden of the regulation and as a result of new

data presented by the entities with whom the EPA met. A letter from the Solid Waste Management of North America and SWAC to the EPA demonstrates their support of this decision. Detailed summaries of the meetings and the letter can be obtained from the Docket A-88-09.

Documentation of the EPA's consideration of comments on the proposed standards and guidelines is provided in the BID's for the proposed and final standards and guidelines. Refer to the ADDRESSES section of this preamble for information on how to acquire copies of these documents.

The final rule reflects a minimization of burden on small landfills and does not create an unreasonable burden for large public entities. The EPA has considered the purpose and intent of the Unfunded Mandate Act and has determined the landfill NSPS and EG are needed.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 et seq.) requires the EPA to give special consideration to the impact of regulation on small businesses, small organizations, and small governmental units. The Regulatory Flexibility Act specifies that EPA must prepare an initial regulatory flexibility analysis if a regulation will have a significant economic impact on a substantial number of small entities.

Pursuant to section 605(b) of the Regulatory Flexibility Act, 5 U.S.C. 605(b), the Administrator certifies that this rule will not have a significant economic impact on a substantial number of small entities.

The final NSPS and EG exempt small landfills that have a design capacity below 2.5 million Mg of MSW. This design capacity exemption will exempt landfills that serve communities of 125,000 people or less, assuming the typical waste generation rate of 5 lb of waste per person per day and an average landfill age of 20 years. Section 601 of the Regulatory Flexibility Act defines a "small governmental jurisdiction" as governments of cities, counties, towns, or other districts with a population less than 50,000. The design capacity exemption will exempt landfills that serve small governmental jurisdictions. Therefore, the landfills NSPS and EG will have no impact on small entities.

The NSPS and EG will require periodic emissions calculations or control of emissions from only the largest 10 percent of landfills in the U.S. By controlling these large landfills, the rules will significantly reduce landfill gas emissions, which have adverse effects on human health and welfare,

contribute to global warming, and can create odors and explosion hazards. In consideration of the potential regulatory burden on small entities and in response to public comment, the landfill design capacity in the proposed rule was raised to 2.5 million Mg/yr, thereby exempting small entities.

G. Miscellaneous

The effective date of this regulation is March 12, 1996. Section 111(b)(1)(B) of the CAA provides that standards of performance or revisions thereof become effective upon promulgation and apply to affected facilities of which the construction or modification was commenced after the date of proposal, May 31, 1991.

As prescribed by section 111, the promulgation of these standards was preceded by the Administrator's determination that MSW landfills contribute significantly to air pollution that may reasonably be anticipated to endanger public health or welfare. In accordance with section 117 of the CAA, publication of these promulgated standards was preceded by consultation with appropriate advisory committees, independent experts, and Federal departments and agencies.

This regulation will be reviewed 4 years from the date of promulgation as required by the CAA. This review will include an assessment of such factors as the need for integration with other programs, the existence of alternative methods, enforceability, improvements in emission control technology, and reporting requirements.

Section 317 of the CAA requires the Administrator to prepare an economic impact assessment for any NSPS promulgated under section 111(b) of the CAA. An economic impact assessment was prepared for this regulation and for other regulatory alternatives. All aspects of the assessment were considered in the formulation of the standards to ensure that cost was carefully considered in determining the BDT. The economic impact assessment is included in the BID for the proposed standards and in Chapter 3 of the promulgation BID.

List of Subjects

40 CFR Part 51

Environmental protection, Air pollution control.

40 CFR Part 52

Air pollution control.

40 CFR Part 60

Environmental protection, Air pollution control, Intergovernmental relations, reporting and recordkeeping

requirements, Municipal solid waste landfills, Municipal solid waste.

Dated: March 1, 1996.

Carol M. Browner,
Administrator.

For the reasons set out in the preamble, title 40, chapter 1, parts 51, 52 and 60 of the Code of Federal Regulations are amended as follows:

PART 51—REQUIREMENTS FOR PREPARATION, ADOPTION AND SUBMITTAL OF IMPLEMENTATION PLANS

1. The authority citation for part 51 continues to read as follows:

Authority: 7401-7671q.

2. Section 51.166(b)(23)(i) is amended by adding an entry to the end of the *Pollutant and Emission Rate* list to read as follows:

§ 51.166 Prevention of significant deterioration of air quality.

* * * * *

(b) * * *

(23) * * *

(i) * * * Municipal solid waste landfill emissions (measured as nonmethane organic compounds): 45 megagrams per year (50 tons per year)

* * * * *

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

3. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401-7671q.

4. Section 52.21(b)(23)(i) is amended by adding an entry to the end of the *Pollutant and Emission Rate* list to read as follows:

§ 52.21 Prevention of significant deterioration of air quality.

* * * * *

(b) * * *

(23) * * *

(i) * * * Municipal solid waste landfills emissions (measured as nonmethane organic compounds): 45 megagrams per year (50 tons per year)

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PART 60—STANDARDS OF PERFORMANCE FOR NEW STATIONARY SOURCES

5. The authority citation for part 60 continues to read as follows:

Authority: 42 U.S.C. 7401, 7411, 7414, 7416, and 7601.

6. Section 60.16 of subpart A is amended by adding an entry to the end to read under *Other Source Categories* as follows:

§ 60.16 Priority list.

* * * * *

Other Source Categories

* * * * *

Municipal solid waste landfills.⁴

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7. Section 60.30 is amended by adding a new paragraph (c) to read as follows:

§ 60.30 Scope.

* * * * *

(c) Subpart Cc—Municipal Solid Waste Landfills.

8. Part 60 is further amended by adding the Subpart Cc to read as follows:

Subpart Cc—Emission Guidelines and Compliance Times for Municipal Solid Waste Landfills

Sec.

60.30c Scope.

60.31c Definitions.

60.32c Designated facilities.

60.33c Emission guidelines for municipal solid waste landfill emissions.

60.34c Test methods and procedures.

60.35c Reporting and recordkeeping guidelines.

60.36c Compliance times.

Subpart Cc—Emission Guidelines and Compliance Times for Municipal Solid Waste Landfills**§ 60.30c Scope.**

This subpart contains emission guidelines and compliance times for the control of certain designated pollutants from certain designated municipal solid waste landfills in accordance with section 111(d) of the Act and subpart B.

§ 60.31c Definitions.

Terms used but not defined in this subpart have the meaning given them in the Act and in subparts A, B, and WWW of this part.

Municipal solid waste landfill or MSW landfill means an entire disposal facility in a contiguous geographical space where household waste is placed in or on land. An MSW landfill may also receive other types of RCRA Subtitle D wastes such as commercial solid waste, nonhazardous sludge, conditionally exempt small quantity generator waste, and industrial solid waste. Portions of an MSW landfill may be separated by access roads. An MSW landfill may be publicly or privately owned. An MSW landfill may be a new MSW landfill, an existing MSW landfill or a lateral expansion.

§ 60.32c Designated facilities.

(a) The designated facility to which the guidelines apply is each existing MSW landfill for which construction, reconstruction or modification was commenced before May 30, 1991.

(b) Physical or operational changes made to an existing MSW landfill solely to comply with an emission guideline are not considered a modification or reconstruction and would not subject an existing MSW landfill to the requirements of subpart WWW [see § 60.750 of Subpart WWW].

§ 60.33c Emission guidelines for municipal solid waste landfill emissions.

(a) For approval, a State plan shall include control of MSW landfill emissions at each MSW landfill meeting the following three conditions:

(1) The landfill has accepted waste at any time since November 8, 1987, or has additional design capacity available for future waste deposition;

(2) The landfill has a design capacity greater than or equal to 2.5 million megagrams or 2.5 million cubic meters. The landfill may calculate design capacity in either megagrams or cubic meters for comparison with the exemption values. Any density conversions shall be documented and submitted with the report; and

(3) The landfill has a nonmethane organic compound emission rate of 50 megagrams per year or more.

(b) For approval, a State plan shall include the installation of a collection and control system meeting the conditions provided in § 60.752(b)(2)(ii) of this part at each MSW landfill meeting the conditions in paragraph (a) of this section. The State plan shall include a process for State review and approval of the site-specific design plans for the gas collection and control system(s).

(c) For approval, a State plan shall include provisions for the control of collected MSW landfill emissions through the use of control devices meeting the requirements of paragraph (c)(1), (2), or (3) of this section, except as provided in § 60.24.

(1) An open flare designed and operated in accordance with the parameters established in § 60.18; or

(2) A control system designed and operated to reduce NMOC by 98 weight percent; or

(3) An enclosed combustor designed and operated to reduce the outlet NMOC concentration to 20 parts per million as hexane by volume, dry basis at 3 percent oxygen, or less.

§ 60.34c Test methods and procedures.

For approval, a State plan shall include provisions for: the calculation

of the landfill NMOC emission rate listed in § 60.754, as applicable, to determine whether the landfill meets the condition in § 60.33c(a)(3); the operational standards in § 60.753; the compliance provisions in § 60.755; and the monitoring provisions in § 60.756.

§ 60.35c Reporting and recordkeeping guidelines.

For approval, a State plan shall include the recordkeeping and reporting provisions listed in §§ 60.757 and 60.758, as applicable, except as provided under § 60.24.

§ 60.36c Compliance times.

(a) Except as provided for under paragraph (b) of this section, planning, awarding of contracts, and installation of MSW landfill air emission collection and control equipment capable of meeting the emission guidelines established under § 60.33c shall be accomplished within 30 months after the effective date of a State emission standard for MSW landfills.

(b) For each existing MSW landfill meeting the conditions in § 60.33c(a)(1) and § 60.33c(a)(2) whose NMOC emission rate is less than 50 megagrams per year on the effective date of the State emission standard, installation of collection and control systems capable of meeting emission guidelines in § 60.33c shall be accomplished within 30 months of the date when the condition in § 60.33c(a)(3) is met (i.e., the date of the first annual nonmethane organic compounds emission rate which equals or exceeds 50 megagrams per year).

9. Part 60 is amended by adding a new subpart WWW to read as follows:

Subpart WWW—Standards of Performance for Municipal Solid Waste Landfills

Sec.

60.750 Applicability, designation of affected facility, and delegation of authority.

60.751 Definitions.

60.752 Standards for air emissions from municipal solid waste landfills.

60.753 Operational standards for collection and control systems.

60.754 Test methods and procedures.

60.755 Compliance provisions.

60.756 Monitoring of operations.

60.757 Reporting requirements.

60.758 Recordkeeping requirements.

60.759 Specifications for active collection systems.

Subpart WWW—Standards of Performance for Municipal Solid Waste Landfills**§ 60.750 Applicability, designation of affected facility, and delegation of authority.**

(a) The provisions of this subpart apply to each municipal solid waste

⁴Not prioritized, since an NSPS for this major source category has already been promulgated.

landfill that commenced construction, reconstruction or modification or began accepting waste on or after May 30, 1991. Physical or operational changes made to an existing MSW landfill solely to comply with Subpart Cc of this part are not considered construction, reconstruction, or modification for the purposes of this section.

(b) The following authorities shall be retained by the Administrator and not transferred to the State: None.

§ 60.751 Definitions.

As used in this subpart, all terms not defined herein shall have the meaning given them in the Act or in subpart A of this part.

Active collection system means a gas collection system that uses gas mover equipment.

Active landfill means a landfill in which solid waste is being placed or a landfill that is planned to accept waste in the future.

Closed landfill means a landfill in which solid waste is no longer being placed, and in which no additional solid wastes will be placed without first filing a notification of modification as prescribed under § 60.7(a)(4). Once a notification of modification has been filed, and additional solid waste is placed in the landfill, the landfill is no longer closed. A landfill is considered closed after meeting the criteria of § 258.60 of this title.

Closure means that point in time when a landfill becomes a closed landfill.

Commercial solid waste means all types of solid waste generated by stores, offices, restaurants, warehouses, and other nonmanufacturing activities, excluding residential and industrial wastes.

Controlled landfill means any landfill at which collection and control systems are required under this subpart as a result of the nonmethane organic compounds emission rate. The landfill is considered controlled at the time either

(1) A notification of intent to install a collection and control system or

(2) A collection and control system design plan is submitted in compliance with § 60.752(b)(2)(i).

Design capacity means the maximum amount of solid waste a landfill can accept, as specified in the construction or operating permit issued by the State, local, or Tribal agency responsible for regulating the landfill.

Disposal facility means all contiguous land and structures, other appurtenances, and improvements on the land used for the disposal of solid waste.

Emission rate cutoff means the threshold annual emission rate to which a landfill compares its estimated emission rate to determine if control under the regulation is required.

Enclosed combustor means an enclosed firebox which maintains a relatively constant limited peak temperature generally using a limited supply of combustion air. An enclosed flare is considered an enclosed combustor.

Flare means an open combustor without enclosure or shroud.

Gas mover equipment means the equipment (i.e., fan, blower, compressor) used to transport landfill gas through the header system.

Household waste means any solid waste (including garbage, trash, and sanitary waste in septic tanks) derived from households (including, but not limited to, single and multiple residences, hotels and motels, bunkhouses, ranger stations, crew quarters, campgrounds, picnic grounds, and day-use recreation areas).

Industrial solid waste means solid waste generated by manufacturing or industrial processes that is not a hazardous waste regulated under Subtitle C of the Resource Conservation and Recovery Act, parts 264 and 265 of this title. Such waste may include, but is not limited to, waste resulting from the following manufacturing processes: electric power generation; fertilizer/agricultural chemicals; food and related products/by-products; inorganic chemicals; iron and steel manufacturing; leather and leather products; nonferrous metals manufacturing/foundries; organic chemicals; plastics and resins manufacturing; pulp and paper industry; rubber and miscellaneous plastic products; stone, glass, clay, and concrete products; textile manufacturing; transportation equipment; and water treatment. This term does not include mining waste or oil and gas waste.

Interior well means any well or similar collection component located inside the perimeter of the landfill. A perimeter well located outside the landfilled waste is not an interior well.

Landfill means an area of land or an excavation in which wastes are placed for permanent disposal, and that is not a land application unit, surface impoundment, injection well, or waste pile as those terms are defined under § 257.2 of this title.

Lateral expansion means a horizontal expansion of the waste boundaries of an existing MSW landfill. A lateral expansion is not a modification unless

it results in an increase in the design capacity of the landfill.

Municipal solid waste landfill or *MSW landfill* means an entire disposal facility in a contiguous geographical space where household waste is placed in or on land. An MSW landfill may also receive other types of RCRA Subtitle D wastes (§ 257.2 of this title) such as commercial solid waste, nonhazardous sludge, conditionally exempt small quantity generator waste, and industrial solid waste. Portions of an MSW landfill may be separated by access roads. An MSW landfill may be publicly or privately owned. An MSW landfill may be a new MSW landfill, an existing MSW landfill, or a lateral expansion.

Municipal solid waste landfill emissions or *MSW landfill emissions* means gas generated by the decomposition of organic waste deposited in an MSW landfill or derived from the evolution of organic compounds in the waste.

NMOC means nonmethane organic compounds, as measured according to the provisions of § 60.754.

Nondegradable waste means any waste that does not decompose through chemical breakdown or microbiological activity. Examples are, but are not limited to, concrete, municipal waste combustor ash, and metals.

Passive collection system means a gas collection system that solely uses positive pressure within the landfill to move the gas rather than using gas mover equipment.

Sludge means any solid, semisolid, or liquid waste generated from a municipal, commercial, or industrial wastewater treatment plant, water supply treatment plant, or air pollution control facility, exclusive of the treated effluent from a wastewater treatment plant.

Solid waste means any garbage, sludge from a wastewater treatment plant, water supply treatment plant, or air pollution control facility and other discarded material, including solid, liquid, semisolid, or contained gaseous material resulting from industrial, commercial, mining, and agricultural operations, and from community activities, but does not include solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows or industrial discharges that are point sources subject to permits under 33 U.S.C. 1342, or source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended (42 U.S.C 2011 et seq.).

Sufficient density means any number, spacing, and combination of collection

system components, including vertical wells, horizontal collectors, and surface collectors, necessary to maintain emission and migration control as determined by measures of performance set forth in this part.

Sufficient extraction rate means a rate sufficient to maintain a negative pressure at all wellheads in the collection system without causing air infiltration, including any wellheads connected to the system as a result of expansion or excess surface emissions, for the life of the blower.

§ 60.752 Standards for air emissions from municipal solid waste landfills.

(a) Each owner or operator of an MSW landfill having a design capacity less than 2.5 million megagrams by mass or 2.5 million cubic meters by volume shall submit an initial design capacity report to the Administrator as provided in § 60.757(a). The landfill may calculate design capacity in either megagrams or cubic meters for comparison with the exemption values. Any density conversions shall be documented and submitted with the report. For purposes of part 70 permitting, a landfill with a design capacity less than 2.5 million megagrams or 2.5 million cubic meters does not require an operating permit under part 70 of this chapter. Submittal of the initial design capacity report shall fulfill the requirements of this subpart except as provided for in paragraphs (a)(1) and (a)(2) of this section.

(1) The owner or operator shall submit to the Administrator an amended design capacity report, as provided for in § 60.757(a)(3), when there is any increase in the design capacity of a landfill subject to the provisions of this subpart, whether the increase results from an increase in the area or depth of the landfill, a change in the operating procedures of the landfill, or any other means.

(2) If any increase in the maximum design capacity of a landfill exempted from the provisions of § 60.752(b) through § 60.759 of this subpart on the basis of the design capacity exemption in paragraph (a) of this section results in a revised maximum design capacity equal to or greater than 2.5 million megagrams or 2.5 million cubic meters, the owner or operator shall comply with the provision of paragraph (b) of this section.

(b) Each owner or operator of an MSW landfill having a design capacity equal to or greater than 2.5 million megagrams or 2.5 million cubic meters, shall either comply with paragraph (b)(2) of this section or calculate an NMOC emission rate for the landfill using the procedures

specified in § 60.754. The NMOC emission rate shall be recalculated annually, except as provided in § 60.757(b)(1)(ii) of this subpart. The owner or operator of an MSW landfill subject to this subpart with a design capacity greater than or equal to 2.5 million megagrams or 2.5 million cubic meters is subject to part 70 permitting requirements. When a landfill is closed, and either never needed control or meets the conditions for control system removal specified in § 60.752(b)(2)(v) of this subpart, a part 70 operating permit is no longer required.

(1) If the calculated NMOC emission rate is less than 50 megagrams per year, the owner or operator shall:

(i) Submit an annual emission report to the Administrator, except as provided for in § 60.757(b)(1)(ii); and

(ii) Recalculate the NMOC emission rate annually using the procedures specified in § 60.754(a)(1) until such time as the calculated NMOC emission rate is equal to or greater than 50 megagrams per year, or the landfill is closed.

(A) If the NMOC emission rate, upon recalculation required in paragraph (b)(1)(ii) of this section, is equal to or greater than 50 megagrams per year, the owner or operator shall install a collection and control system in compliance with paragraph (b)(2) of this section.

(B) If the landfill is permanently closed, a closure notification shall be submitted to the Administrator as provided for in § 60.757(d).

(2) If the calculated NMOC emission rate is equal to or greater than 50 megagrams per year, the owner or operator shall:

(i) Submit a collection and control system design plan prepared by a professional engineer to the Administrator within 1 year:

(A) The collection and control system as described in the plan shall meet the design requirements of paragraph (b)(2)(ii) of this section.

(B) The collection and control system design plan shall include any alternatives to the operational standards, test methods, procedures, compliance measures, monitoring, recordkeeping or reporting provisions of §§ 60.753 through 60.758 proposed by the owner or operator.

(C) The collection and control system design plan shall either conform with specifications for active collection systems in § 60.759 or include a demonstration to the Administrator's satisfaction of the sufficiency of the alternative provisions to § 60.759.

(D) The Administrator shall review the information submitted under

paragraphs (b)(2)(i) (A), (B) and (C) of this section and either approve it, disapprove it, or request that additional information be submitted. Because of the many site-specific factors involved with landfill gas system design, alternative systems may be necessary. A wide variety of system designs are possible, such as vertical wells, combination horizontal and vertical collection systems, or horizontal trenches only, leachate collection components, and passive systems.

(ii) Install a collection and control system within 18 months of the submittal of the design plan under paragraph (b)(2)(i) of this section that effectively captures the gas generated within the landfill.

(A) An active collection system shall:

(1) Be designed to handle the maximum expected gas flow rate from the entire area of the landfill that warrants control over the intended use period of the gas control or treatment system equipment;

(2) Collect gas from each area, cell, or group of cells in the landfill in which the initial solid waste has been placed for a period of:

(i) 5 years or more if active; or

(ii) 2 years or more if closed or at final grade;

(3) Collect gas at a sufficient extraction rate;

(4) Be designed to minimize off-site migration of subsurface gas.

(B) A passive collection system shall:

(1) Comply with the provisions specified in paragraphs (b)(2)(ii), (A) (1), (2), and (4) of this section.

(2) Be installed with liners on the bottom and all sides in all areas in which gas is to be collected. The liners shall be installed as required under § 258.40 of this title.

(iii) Route all the collected gas to a control system that complies with the requirements in either paragraph (b)(2)(iii) (A), (B) or (C) of this section.

(A) An open flare designed and operated in accordance with § 60.18;

(B) A control system designed and operated to reduce NMOC by 98 weight-percent, or, when an enclosed combustion device is used for control, to either reduce NMOC by 98 weight percent or reduce the outlet NMOC concentration to less than 20 parts per million by volume, dry basis as hexane at 3 percent oxygen. The reduction efficiency or parts per million by volume shall be established by an initial performance test, required under § 60.8 using the test methods specified in § 60.754(d).

(1) If a boiler or process heater is used as the control device, the landfill gas

stream shall be introduced into the flame zone.

(2) The control device shall be operated within the parameter ranges established during the initial or most recent performance test. The operating parameters to be monitored are specified in § 60.756;

(C) Route the collected gas to a treatment system that processes the collected gas for subsequent sale or use. All emissions from any atmospheric vent from the gas treatment system shall be subject to the requirements of paragraph (b)(2)(iii) (A) or (B) of this section.

(iv) Operate the collection and control device installed to comply with this subpart in accordance with the provisions of §§ 60.753, 60.755 and 60.756.

(v) The collection and control system may be capped or removed provided that all the conditions of paragraphs (b)(2)(v) (A), (B), and (C) of this section are met:

(A) The landfill shall be no longer accepting solid waste and be permanently closed under the requirements of § 258.60 of this title. A closure report shall be submitted to the Administrator as provided in § 60.757(d);

(B) The collection and control system shall have been in operation a minimum of 15 years; and

(C) Following the procedures specified in § 60.754(b) of this subpart, the calculated NMOC gas produced by the landfill shall be less than 50 megagrams per year on three successive test dates. The test dates shall be no less than 90 days apart, and no more than 180 days apart.

§ 60.753 Operational standards for collection and control systems.

Each owner or operator of an MSW landfill gas collection and control system used to comply with the provisions of § 60.752(b)(2)(ii) of this subpart shall:

(a) Operate the collection system such that gas is collected from each area, cell, or group of cells in the MSW landfill in which solid waste has been in place for:

- (1) 5 years or more if active; or
- (2) 2 years or more if closed or at final grade;

(b) Operate the collection system with negative pressure at each wellhead except under the following conditions:

(1) A fire or increased well temperature. The owner or operator shall record instances when positive pressure occurs in efforts to avoid a fire. These records shall be submitted with the annual reports as provided in § 60.757(f)(1);

(2) Use of a geomembrane or synthetic cover. The owner or operator shall develop acceptable pressure limits in the design plan;

(3) A decommissioned well. A well may experience a static positive pressure after shut down to accommodate for declining flows. All design changes shall be approved by the Administrator;

(c) Operate each interior wellhead in the collection system with a landfill gas temperature less than 55 °C and with either a nitrogen level less than 20 percent or an oxygen level less than 5 percent. The owner or operator may establish a higher operating temperature, nitrogen, or oxygen value at a particular well. A higher operating value demonstration shall show supporting data that the elevated parameter does not cause fires or significantly inhibit anaerobic decomposition by killing methanogens.

(1) The nitrogen level shall be determined using Method 3C, unless an alternative test method is established as allowed by § 60.752(b)(2)(i) of this subpart.

(2) Unless an alternative test method is established as allowed by § 60.752(b)(2)(i) of this subpart, the oxygen shall be determined by an oxygen meter using Method 3A except that:

(i) The span shall be set so that the regulatory limit is between 20 and 50 percent of the span;

(ii) A data recorder is not required;

(iii) Only two calibration gases are required, a zero and span, and ambient air may be used as the span;

(iv) A calibration error check is not required;

(v) The allowable sample bias, zero drift, and calibration drift are ±10 percent.

(d) Operate the collection system so that the methane concentration is less than 500 parts per million above

background at the surface of the landfill. To determine if this level is exceeded, the owner or operator shall conduct surface testing around the perimeter of the collection area along a pattern that traverses the landfill at 30 meter intervals and where visual observations indicate elevated concentrations of landfill gas, such as distressed vegetation and cracks or seeps in the cover. The owner or operator may establish an alternative traversing pattern that ensures equivalent coverage. A surface monitoring design plan shall be developed that includes a topographical map with the monitoring route and the rationale for any site-specific deviations from the 30 meter intervals. Areas with steep slopes or other dangerous areas may be excluded from the surface testing.

(e) Operate the system such that all collected gases are vented to a control system designed and operated in compliance with § 60.752(b)(2)(iii). In the event the collection or control system is inoperable, the gas mover system shall be shut down and all valves in the collection and control system contributing to venting of the gas to the atmosphere shall be closed within 1 hour; and

(f) Operate the control or treatment system at all times when the collected gas is routed to the system.

(g) If monitoring demonstrates that the operational requirement in paragraphs (b), (c), or (d) of this section are not met, corrective action shall be taken as specified in § 60.752(a) (3) through (5) or § 60.755(c) of this subpart. If corrective actions are taken as specified in § 60.755, the monitored exceedance is not a violation of the operational requirements in this section.

§ 60.754 Test methods and procedures.

(a)(1) The landfill owner or operator shall calculate the NMOC emission rate using either the equation provided in paragraph (a)(1)(i) of this section or the equation provided in paragraph (a)(1)(ii) of this section. The values to be used in both equations are 0.05 per year for k, 170 cubic meters per megagram for L_o, and 4,000 parts per million by volume as hexane for the C_{NMOC}.

(i) The following equation shall be used if the actual year-to-year solid waste acceptance rate is known.

$$M_{NMOC} = \sum_{i=1}^n 2 k L_o M_i (e^{-kt_i}) (C_{NMOC}) (3.6 \times 10^{-9})$$

where,

M_{NMOC} = Total NMOC emission rate from the landfill, megagrams per year

k = methane generation rate constant, year^{-1}

L_o = methane generation potential, cubic meters per megagram solid waste

M_i = mass of solid waste in the i^{th} section, megagrams

t_i = age of the i^{th} section, years

C_{NMOC} = concentration of NMOC, parts per million by volume as hexane

3.6×10^{-9} = conversion factor

The mass of nondegradable solid waste may be subtracted from the total mass of solid waste in a particular section of the landfill when calculating the value for M_i if the documentation provisions of § 60.758(d)(2) are followed.

(ii) The following equation shall be used if the actual year-to-year solid waste acceptance rate is unknown.

$$M_{NMOC} = 2L_o R (e^{-kc} - e^{-kt}) (C_{NMOC}) (3.6 \times 10^{-9})$$

where,

M_{NMOC} = mass emission rate of NMOC, megagrams per year

L_o = methane generation potential, cubic meters per megagram solid waste

R = average annual acceptance rate, megagrams per year

k = methane generation rate constant, year^{-1}

t = age of landfill, years

C_{NMOC} = concentration of NMOC, parts per million by volume as hexane

c = time since closure, years. For active landfill $c = 0$ and $e^{-kc} = 1$

3.6×10^{-9} = conversion factor

The mass of nondegradable solid waste may be subtracted from the average annual acceptance rate when calculating a value for R , if the documentation provisions of § 60.758(d)(2) are followed.

(2) *Tier 1.* The owner or operator shall compare the calculated NMOC mass emission rate to the standard of 50 megagrams per year.

(i) If the NMOC emission rate calculated in paragraph (a)(1) of this section is less than 50 megagrams per year, then the landfill owner shall submit an emission rate report as provided in § 60.757(b)(1), and shall recalculate the NMOC mass emission rate annually as required under § 60.752(b)(1).

(ii) If the calculated NMOC emission rate is equal to or greater than 50 megagrams per year, then the landfill owner shall either comply with § 60.752(b)(2), or determine a site-specific NMOC concentration and recalculate the NMOC emission rate using the procedures provided in paragraph (a)(3) of this section.

(3) *Tier 2.* The landfill owner or operator shall determine the NMOC concentration using the following sampling procedure. The landfill owner or operator shall install at least two sample probes per hectare of landfill

surface that has retained waste for at least 2 years. If the landfill is larger than 25 hectares in area, only 50 samples are required. The sample probes should be located to avoid known areas of nondegradable solid waste. The owner or operator shall collect and analyze one sample of landfill gas from each probe to determine the NMOC concentration using Method 25C of appendix A of this part or Method 18 of appendix A of this part. If using Method 18 of appendix A of this part, the minimum list of compounds to be tested shall be those published in the most recent Compilation of Air Pollutant Emission Factors (AP-42). If composite sampling is used, equal volumes shall be taken from each sample probe. If more than the required number of samples are taken, all samples shall be used in the analysis. The landfill owner or operator shall divide the NMOC concentration from Method 25C of appendix A of this part by six to convert from C_{NMOC} as carbon to C_{NMOC} as hexane.

(i) The landfill owner or operator shall recalculate the NMOC mass emission rate using the equations provided in paragraph (a)(1)(i) or (a)(1)(ii) of this section and using the average NMOC concentration from the collected samples instead of the default value in the equation provided in paragraph (a)(1) of this section.

(ii) If the resulting mass emission rate calculated using the site-specific NMOC concentration is equal to or greater than 50 megagrams per year, then the landfill owner or operator shall either comply with § 60.752(b)(2), or determine the site-specific methane generation rate constant and recalculate the NMOC emission rate using the site-specific methane generation rate using the procedure specified in paragraph (a)(4) of this section.

(iii) If the resulting NMOC mass emission rate is less than 50 megagrams per year, the owner or operator shall submit a periodic estimate of the emission rate report as provided in § 60.757(b)(1) and retest the site-specific NMOC concentration every 5 years using the methods specified in this section.

(4) *Tier 3.* The site-specific methane generation rate constant shall be determined using the procedures provided in Method 2E of appendix A of this part. The landfill owner or operator shall estimate the NMOC mass emission rate using equations in paragraph (a)(1)(i) or (a)(1)(ii) of this section and using a site-specific methane generation rate constant k , and the site-specific NMOC concentration as determined in paragraph (a)(3) of this section instead of the default values

provided in paragraph (a)(1) of this section. The landfill owner or operator shall compare the resulting NMOC mass emission rate to the standard of 50 megagrams per year.

(i) If the NMOC mass emission rate as calculated using the site-specific methane generation rate and concentration of NMOC is equal to or greater than 50 megagrams per year, the owner or operator shall comply with § 60.752(b)(2).

(ii) If the NMOC mass emission rate is less than 50 megagrams per year, then the owner or operator shall submit a periodic emission rate report as provided in § 60.757(b)(1) and shall recalculate the NMOC mass emission rate annually, as provided in § 60.757(b)(1) using the equations in paragraph (a)(1) of this section and using the site-specific methane generation rate constant and NMOC concentration obtained in paragraph (a)(3) of this section. The calculation of the methane generation rate constant is performed only once, and the value obtained is used in all subsequent annual NMOC emission rate calculations.

(5) The owner or operator may use other methods to determine the NMOC concentration or a site-specific k as an alternative to the methods required in paragraphs (a)(3) and (a)(4) of this section if the method has been approved by the Administrator as provided in § 60.752(b)(2)(i)(B).

(b) After the installation of a collection and control system in compliance with § 60.755, the owner or operator shall calculate the NMOC emission rate for purposes of determining when the system can be removed as provided in § 60.752(b)(2)(v), using the following equation:

$$M_{NMOC} = 1.89 \times 10^{-3} Q_{LFG} C_{NMOC}$$

where,

M_{NMOC} = mass emission rate of NMOC, megagrams per year

Q_{LFG} = flow rate of landfill gas, cubic meters per minute

C_{NMOC} = NMOC concentration, parts per million by volume as hexane

(1) The flow rate of landfill gas, Q_{LFG} , shall be determined by measuring the total landfill gas flow rate at the common header pipe that leads to the control device using a gas flow measuring device calibrated according to the provisions of section 4 of Method 2E of appendix A of this part.

(2) The average NMOC concentration, C_{NMOC} , shall be determined by collecting and analyzing landfill gas sampled from the common header pipe before the gas moving or condensate

removal equipment using the procedures in Method 25C or Method 18 of appendix A of this part. If using Method 18 of appendix A of this part, the minimum list of compounds to be tested shall be those published in the most recent Compilation of Air Pollutant Emission Factors (AP-42). The sample location on the common header pipe shall be before any condensate removal or other gas refining units. The landfill owner or operator shall divide the NMOC concentration from Method 25C of appendix A of this part by six to convert from C_{NMOC} as carbon to C_{NMOC} as hexane.

(3) The owner or operator may use another method to determine landfill gas flow rate and NMOC concentration if the method has been approved by the Administrator as provided in § 60.752(b)(2)(i)(B).

(c) The owner or operator of each MSW landfill subject to the provisions of this subpart shall estimate the NMOC emission rate for comparison to the PSD major source and significance levels in §§ 51.166 or 52.21 of this chapter using AP-42 or other approved measurement procedures. If a collection system, which complies with the provisions in § 60.752(b)(2) is already installed, the owner or operator shall estimate the NMOC emission rate using the procedures provided in paragraph (b) of this section.

(d) For the performance test required in § 60.752(b)(2)(iii)(B), Method 25 or Method 18 of appendix A of this part shall be used to determine compliance with 98 weight-percent efficiency or the 20 ppmv outlet concentration level, unless another method to demonstrate compliance has been approved by the Administrator as provided by § 60.752(b)(2)(i)(B). If using Method 18 of appendix A of this part, the minimum list of compounds to be tested shall be those published in the most recent Compilation of Air Pollutant Emission Factors (AP-42). The following equation shall be used to calculate efficiency:

$$\text{Control Efficiency} = (\text{NMOC}_{\text{in}} - \text{NMOC}_{\text{out}}) / (\text{NMOC}_{\text{in}})$$

where,

NMOC_{in} = mass of NMOC entering control device

NMOC_{out} = mass of NMOC exiting control device

§ 60.755 Compliance provisions.

(a) Except as provided in § 60.752(b)(2)(i)(B), the specified methods in paragraphs (a)(1) through (a)(6) of this section shall be used to determine whether the gas collection system is in compliance with § 60.752(b)(2)(ii).

(1) For the purposes of calculating the maximum expected gas generation flow rate from the landfill to determine compliance with § 60.752(b)(2)(ii)(A)(1), one of the following equations shall be used. The k and L_o kinetic factors should be those published in the most recent Compilation of Air Pollutant Emission Factors (AP-42) or other site specific values demonstrated to be appropriate and approved by the Administrator. If k has been determined as specified in § 60.754(a)(4), the value of k determined from the test shall be used. A value of no more than 15 years shall be used for the intended use period of the gas mover equipment. The active life of the landfill is the age of the landfill plus the estimated number of years until closure.

(i) For sites with unknown year-to-year solid waste acceptance rate:

$$Q_m = 2L_o R (e^{-kc} - e^{-kt})$$

where,

Q_m = maximum expected gas generation flow rate, cubic meters per year

L_o = methane generation potential, cubic meters per megagram solid waste

R = average annual acceptance rate, megagrams per year

k = methane generation rate constant, year⁻¹

t = age of the landfill at equipment

installation plus the time the owner or operator intends to use the gas mover equipment or active life of the landfill, whichever is less. If the equipment is installed after closure, t is the age of the landfill at installation, years

c = time since closure, years (for an active landfill $c = 0$ and $e^{-kc} = 1$)

(ii) For sites with known year-to-year solid waste acceptance rate:

$$Q_M = \sum_{i=1}^n 2k L_o M_i (e^{-kt_i})$$

where,

Q_M = maximum expected gas generation flow rate, cubic meters per year

k = methane generation rate constant, year⁻¹

L_o = methane generation potential, cubic meters per megagram solid waste

M_i = mass of solid waste in the i th section, megagrams

t_i = age of the i th section, years

(iii) If a collection and control system has been installed, actual flow data may be used to project the maximum expected gas generation flow rate instead of, or in conjunction with, the equations in paragraphs (a)(1) (i) and (ii) of this section. If the landfill is still accepting waste, the actual measured flow data will not equal the maximum expected gas generation rate, so calculations using the equations in paragraphs (a)(1) (i) or (ii) or other methods shall be used to predict the maximum expected gas generation rate

over the intended period of use of the gas control system equipment.

(2) For the purposes of determining sufficient density of gas collectors for compliance with § 60.752(b)(2)(ii)(A)(2), the owner or operator shall design a system of vertical wells, horizontal collectors, or other collection devices, satisfactory to the Administrator, capable of controlling and extracting gas from all portions of the landfill sufficient to meet all operational and performance standards.

(3) For the purpose of demonstrating whether the gas collection system flow rate is sufficient to determine compliance with § 60.752(b)(2)(ii)(A)(3), the owner or operator shall measure gauge pressure in the gas collection header at each individual well, monthly. If a positive pressure exists, action shall be initiated to correct the exceedance within 5 calendar days, except for the three conditions allowed under § 60.753(b). If negative pressure cannot be achieved without excess air infiltration within 15 calendar days of the first measurement, the gas collection system shall be expanded to correct the exceedance within 120 days of the initial measurement of positive pressure. Any attempted corrective measure shall not cause exceedances of other operational or performance standards.

(4) Owners or operators are not required to install additional wells as required in paragraph (a)(3) of this section during the first 180 days after gas collection system start-up.

(5) For the purpose of identifying whether excess air infiltration into the landfill is occurring, the owner or operator shall monitor each well monthly for temperature and nitrogen or oxygen as provided in § 60.753(c). If a well exceeds one of these operating parameters, action shall be initiated to correct the exceedance within 5 calendar days. If correction of the exceedance cannot be achieved within 15 calendar days of the first measurement, the gas collection system shall be expanded to correct the exceedance within 120 days of the initial exceedance. Any attempted corrective measure shall not cause exceedances of other operational or performance standards.

(6) An owner or operator seeking to demonstrate compliance with § 60.752(b)(2)(ii)(A)(4) through the use of a collection system not conforming to the specifications provided in § 60.759 shall provide information satisfactory to the Administrator as specified in § 60.752(b)(2)(i)(C) demonstrating that off-site migration is being controlled.

(b) For purposes of compliance with § 60.753(a), each owner or operator of a controlled landfill shall place each well or design component as specified in the approved design plan as provided in § 60.752(b)(2)(i). Each well shall be installed within 60 days of the date in which the initial solid waste has been in place for a period of:

- (1) 5 years or more if active; or
- (2) 2 years or more if closed or at final grade.

(c) The following procedures shall be used for compliance with the surface methane operational standard as provided in § 60.753(d).

(1) After installation of the collection system, the owner or operator shall monitor surface concentrations of methane along the entire perimeter of the collection area and along a serpentine pattern spaced 30 meters apart (or a site-specific established spacing) for each collection area on a quarterly basis using an organic vapor analyzer, flame ionization detector, or other portable monitor meeting the specifications provided in paragraph (d) of this section.

(2) The background concentration shall be determined by moving the probe inlet upwind and downwind outside the boundary of the landfill at a distance of at least 30 meters from the perimeter wells.

(3) Surface emission monitoring shall be performed in accordance with section 4.3.1 of Method 21 of appendix A of this part, except that the probe inlet shall be placed within 5 to 10 centimeters of the ground. Monitoring shall be performed during typical meteorological conditions.

(4) Any reading of 500 parts per million or more above background at any location shall be recorded as a monitored exceedance and the actions specified in paragraphs (c)(4) (i) through (v) of this section shall be taken. As long as the specified actions are taken, the exceedance is not a violation of the operational requirements of § 60.753(d).

(i) The location of each monitored exceedance shall be marked and the location recorded.

(ii) Cover maintenance or adjustments to the vacuum of the adjacent wells to increase the gas collection in the vicinity of each exceedance shall be made and the location shall be re-monitored within 10 calendar days of detecting the exceedance.

(iii) If the re-monitoring of the location shows a second exceedance, additional corrective action shall be taken and the location shall be monitored again within 10 days of the second exceedance. If the re-monitoring shows a third exceedance for the same

location, the action specified in paragraph (c)(4)(v) of this section shall be taken, and no further monitoring of that location is required until the action specified in paragraph (c)(4)(v) has been taken.

(iv) Any location that initially showed an exceedance but has a methane concentration less than 500 ppm methane above background at the 10-day re-monitoring specified in paragraph (c)(4) (ii) or (iii) of this section shall be re-monitored 1 month from the initial exceedance. If the 1-month remonitoring shows a concentration less than 500 parts per million above background, no further monitoring of that location is required until the next quarterly monitoring period. If the 1-month remonitoring shows an exceedance, the actions specified in paragraph (c)(4) (iii) or (v) shall be taken.

(v) For any location where monitored methane concentration equals or exceeds 500 parts per million above background three times within a quarterly period, a new well or other collection device shall be installed within 120 calendar days of the initial exceedance. An alternative remedy to the exceedance, such as upgrading the blower, header pipes or control device, and a corresponding timeline for installation may be submitted to the Administrator for approval.

(5) The owner or operator shall implement a program to monitor for cover integrity and implement cover repairs as necessary on a monthly basis.

(d) Each owner or operator seeking to comply with the provisions in paragraph (c) of this section shall comply with the following instrumentation specifications and procedures for surface emission monitoring devices:

(1) The portable analyzer shall meet the instrument specifications provided in section 3 of Method 21 of appendix A of this part, except that "methane" shall replace all references to VOC.

(2) The calibration gas shall be methane, diluted to a nominal concentration of 500 parts per million in air.

(3) To meet the performance evaluation requirements in section 3.1.3 of Method 21 of appendix A of this part, the instrument evaluation procedures of section 4.4 of Method 21 of appendix A of this part shall be used.

(4) The calibration procedures provided in section 4.2 of Method 21 of appendix A of this part shall be followed immediately before commencing a surface monitoring survey.

(e) The provisions of this subpart apply at all times, except during periods of start-up, shutdown, or malfunction, provided that the duration of start-up, shutdown, or malfunction shall not exceed 5 days for collection systems and shall not exceed 1 hour for treatment or control devices.

§ 60.756 Monitoring of operations.

Except as provided in § 60.752(b)(2)(i)(B),

(a) Each owner or operator seeking to comply with § 60.752(b)(2)(ii)(A) for an active gas collection system shall install a sampling port and a thermometer or other temperature measuring device at each wellhead and:

(1) Measure the gauge pressure in the gas collection header on a monthly basis as provided in § 60.755(a)(3); and

(2) Monitor nitrogen or oxygen concentration in the landfill gas on a monthly basis as provided in § 60.755(a)(5); and

(3) Monitor temperature of the landfill gas on a monthly basis as provided in § 60.755(a)(5).

(b) Each owner or operator seeking to comply with § 60.752(b)(2)(iii) using an enclosed combustor shall calibrate, maintain, and operate according to the manufacturer's specifications, the following equipment.

(1) A temperature monitoring device equipped with a continuous recorder and having an accuracy of ± 1 percent of the temperature being measured expressed in degrees Celsius or ± 0.5 °C, whichever is greater. A temperature monitoring device is not required for boilers or process heaters with design heat input capacity greater than 44 megawatts.

(2) A gas flow rate measuring device that provides a measurement of gas flow to or bypass of the control device. The owner or operator shall either:

(i) Install, calibrate, and maintain a gas flow rate measuring device that shall record the flow to the control device at least every 15 minutes; or

(ii) Secure the bypass line valve in the closed position with a car-seal or a lock-and-key type configuration. A visual inspection of the seal or closure mechanism shall be performed at least once every month to ensure that the valve is maintained in the closed position and that the gas flow is not diverted through the bypass line.

(c) Each owner or operator seeking to comply with § 60.752(b)(2)(iii) using an open flare shall install, calibrate, maintain, and operate according to the manufacturer's specifications the following equipment:

(1) A heat sensing device, such as an ultraviolet beam sensor or

thermocouple, at the pilot light or the flame itself to indicate the continuous presence of a flame.

(2) A device that records flow to or bypass of the flare. The owner or operator shall either:

(i) Install, calibrate, and maintain a gas flow rate measuring device that shall record the flow to the control device at least every 15 minutes; or

(ii) Secure the bypass line valve in the closed position with a car-seal or a lock-and-key type configuration. A visual inspection of the seal or closure mechanism shall be performed at least once every month to ensure that the valve is maintained in the closed position and that the gas flow is not diverted through the bypass line.

(d) Each owner or operator seeking to demonstrate compliance with § 60.752(b)(2)(iii) using a device other than an open flare or an enclosed combustor shall provide information satisfactory to the Administrator as provided in § 60.752(b)(2)(i)(B) describing the operation of the control device, the operating parameters that would indicate proper performance, and appropriate monitoring procedures. The Administrator shall review the information and either approve it, or request that additional information be submitted. The Administrator may specify additional appropriate monitoring procedures.

(e) Each owner or operator seeking to install a collection system that does not meet the specifications in § 60.759 or seeking to monitor alternative parameters to those required by § 60.753 through § 60.756 shall provide information satisfactory to the Administrator as provided in § 60.752(b)(2)(i)(B) and (C) describing the design and operation of the collection system, the operating parameters that would indicate proper performance, and appropriate monitoring procedures. The Administrator may specify additional appropriate monitoring procedures.

(f) Each owner or operator seeking to demonstrate compliance with § 60.755(c), shall monitor surface concentrations of methane according to the instrument specifications and procedures provided in § 60.755(d). Any closed landfill that has no monitored exceedances of the operational standard in three consecutive quarterly monitoring periods may skip to annual monitoring. Any methane reading of 500 ppm or more above background detected during the annual monitoring returns the frequency for that landfill to quarterly monitoring.

§ 60.757 Reporting requirements.

Except as provided in § 60.752(b)(2)(i)(B),

(a) Each owner or operator subject to the requirements of this subpart shall submit an initial design capacity report to the Administrator.

(1) The initial design capacity report shall fulfill the requirements of the notification of the date construction is commenced as required under § 60.7(a)(1) and shall be submitted no later than the earliest day from the following:

(i) 90 days of the issuance of the State, Local, Tribal, or RCRA construction or operating permit; or

(ii) 30 days of the date of construction or reconstruction as defined under § 60.15; or

(iii) 30 days of the initial acceptance of solid waste.

(2) The initial design capacity report shall contain the following information:

(i) A map or plot of the landfill, providing the size and location of the landfill, and identifying all areas where solid waste may be landfilled according to the provisions of the State, local, Tribal, or RCRA construction or operating permit;

(ii) The maximum design capacity of the landfill. Where the maximum design capacity is specified in the State or local construction or RCRA permit, a copy of the permit specifying the maximum design capacity may be submitted as part of the report. If the maximum design capacity of the landfill is not specified in the permit, the maximum design capacity shall be calculated using good engineering practices. The calculations shall be provided, along with such parameters as depth of solid waste, solid waste acceptance rate, and compaction practices as part of the report. The State, Tribal, local agency or Administrator may request other reasonable information as may be necessary to verify the maximum design capacity of the landfill.

(3) An amended design capacity report shall be submitted to the Administrator providing notification of any increase in the design capacity of the landfill, whether the increase results from an increase in the permitted area or depth of the landfill, a change in the operating procedures, or any other means which results in an increase in the maximum design capacity of the landfill above 2.5 million megagrams or 2.5 million cubic meters. The amended design capacity report shall be submitted within 90 days of the issuance of an amended construction or operating permit, or the placement of waste in additional land, or the change in operating procedures which will

result in an increase in maximum design capacity, whichever occurs first.

(b) Each owner or operator subject to the requirements of this subpart shall submit an NMOC emission rate report to the Administrator initially and annually thereafter, except as provided for in paragraphs (b)(1)(ii) or (b)(3) of this section. The Administrator may request such additional information as may be necessary to verify the reported NMOC emission rate.

(1) The NMOC emission rate report shall contain an annual or 5-year estimate of the NMOC emission rate calculated using the formula and procedures provided in § 60.754(a) or (b), as applicable.

(i) The initial NMOC emission rate report shall be submitted within 90 days of the date waste acceptance commences and may be combined with the initial design capacity report required in paragraph (a) of this section. Subsequent NMOC emission rate reports shall be submitted annually thereafter, except as provided for in paragraphs (b)(1)(ii) and (b)(3) of this section.

(ii) If the estimated NMOC emission rate as reported in the annual report to the Administrator is less than 50 megagrams per year in each of the next 5 consecutive years, the owner or operator may elect to submit an estimate of the NMOC emission rate for the next 5-year period in lieu of the annual report. This estimate shall include the current amount of solid waste-in-place and the estimated waste acceptance rate for each year of the 5 years for which an NMOC emission rate is estimated. All data and calculations upon which this estimate is based shall be provided to the Administrator. This estimate shall be revised at least once every 5 years. If the actual waste acceptance rate exceeds the estimated waste acceptance rate in any year reported in the 5-year estimate, a revised 5-year estimate shall be submitted to the Administrator. The revised estimate shall cover the 5-year period beginning with the year in which the actual waste acceptance rate exceeded the estimated waste acceptance rate.

(2) The NMOC emission rate report shall include all the data, calculations, sample reports and measurements used to estimate the annual or 5-year emissions.

(3) Each owner or operator subject to the requirements of this subpart is exempted from the requirements of paragraphs (b)(1) and (2) of this section, after the installation of a collection and control system in compliance with § 60.752(b)(2), during such time as the collection and control system is in

operation and in compliance with §§ 60.753 and 60.755.

(c) Each owner or operator subject to the provisions of § 60.752(b)(2)(i) shall submit a collection and control system design plan to the Administrator within 1 year of the first report, required under paragraph (b) of this section, in which the emission rate exceeds 50 megagrams per year, except as follows:

(1) If the owner or operator elects to recalculate the NMOC emission rate after Tier 2 NMOC sampling and analysis as provided in § 60.754(a)(3) and the resulting rate is less than 50 megagrams per year, annual periodic reporting shall be resumed, using the Tier 2 determined site-specific NMOC concentration, until the calculated emission rate is equal to or greater than 50 megagrams per year or the landfill is closed. The revised NMOC emission rate report, with the recalculated emission rate based on NMOC sampling and analysis, shall be submitted within 180 days of the first calculated exceedance of 50 megagrams per year.

(2) If the owner or operator elects to recalculate the NMOC emission rate after determining a site-specific methane generation rate constant (k), as provided in Tier 3 in § 60.754(a)(4), and the resulting NMOC emission rate is less than 50 Mg/yr, annual periodic reporting shall be resumed. The resulting site-specific methane generation rate constant (k) shall be used in the emission rate calculation until such time as the emissions rate calculation results in an exceedance. The revised NMOC emission rate report based on the provisions of § 60.754(a)(4) and the resulting site-specific methane generation rate constant (k) shall be submitted to the Administrator within 1 year of the first calculated emission rate exceeding 50 megagrams per year.

(d) Each owner or operator of a controlled landfill shall submit a closure report to the Administrator within 30 days of waste acceptance cessation. The Administrator may request additional information as may be necessary to verify that permanent closure has taken place in accordance with the requirements of 40 CFR 258.60. If a closure report has been submitted to the Administrator, no additional wastes may be placed into the landfill without filing a notification of modification as described under § 60.7(a)(4).

(e) Each owner or operator of a controlled landfill shall submit an equipment removal report to the Administrator 30 days prior to removal or cessation of operation of the control equipment.

(1) The equipment removal report shall contain all of the following items:

(i) A copy of the closure report submitted in accordance with paragraph (d) of this section;

(ii) A copy of the initial performance test report demonstrating that the 15 year minimum control period has expired; and

(iii) Dated copies of three successive NMOC emission rate reports demonstrating that the landfill is no longer producing 50 megagrams or greater of NMOC per year.

(2) The Administrator may request such additional information as may be necessary to verify that all of the conditions for removal in § 60.752(b)(2)(v) have been met.

(f) Each owner or operator of a landfill seeking to comply with § 60.752(b)(2) using an active collection system designed in accordance with § 60.752(b)(2)(ii) shall submit to the Administrator annual reports of the recorded information in (f)(1) through (f)(6) of this paragraph. The initial annual report shall be submitted within 180 days of installation and start-up of the collection and control system, and shall include the initial performance test report required under § 60.8. For enclosed combustion devices and flares, reportable exceedances are defined under § 60.758(c).

(1) Value and length of time for exceedance of applicable parameters monitored under § 60.756(a), (b), (c), and (d).

(2) Description and duration of all periods when the gas stream is diverted from the control device through a bypass line or the indication of bypass flow as specified under § 60.756.

(3) Description and duration of all periods when the control device was not operating for a period exceeding 1 hour and length of time the control device was not operating.

(4) All periods when the collection system was not operating in excess of 5 days.

(5) The location of each exceedance of the 500 parts per million methane concentration as provided in § 60.753(d) and the concentration recorded at each location for which an exceedance was recorded in the previous month.

(6) The date of installation and the location of each well or collection system expansion added pursuant to paragraphs (a)(3), (b), and (c)(4) of § 60.755.

(g) Each owner or operator seeking to comply with § 60.752(b)(2)(i) shall include the following information with the initial performance test report required under § 60.8:

(1) A diagram of the collection system showing collection system positioning including all wells, horizontal

collectors, surface collectors, or other gas extraction devices, including the locations of any areas excluded from collection and the proposed sites for the future collection system expansion;

(2) The data upon which the sufficient density of wells, horizontal collectors, surface collectors, or other gas extraction devices and the gas mover equipment sizing are based;

(3) The documentation of the presence of asbestos or nondegradable material for each area from which collection wells have been excluded based on the presence of asbestos or nondegradable material;

(4) The sum of the gas generation flow rates for all areas from which collection wells have been excluded based on nonproductivity and the calculations of gas generation flow rate for each excluded area; and

(5) The provisions for increasing gas mover equipment capacity with increased gas generation flow rate, if the present gas mover equipment is inadequate to move the maximum flow rate expected over the life of the landfill; and

(6) The provisions for the control of off-site migration.

§ 60.758 Recordkeeping requirements.

Except as provided in § 60.752(b)(2)(i)(B),

(a) Each owner or operator of an MSW landfill subject to the provisions of § 60.752(b) shall keep for at least 5 years up-to-date, readily accessible, on-site records of the maximum design capacity, the current amount of solid waste in-place, and the year-by-year waste acceptance rate. Off-site records may be maintained if they are retrievable within 4 hours. Either paper copy or electronic formats are acceptable.

(b) Each owner or operator of a controlled landfill shall keep up-to-date, readily accessible records for the life of the control equipment of the data listed in paragraphs (b)(1) through (b)(4) of this section as measured during the initial performance test or compliance determination. Records of subsequent tests or monitoring shall be maintained for a minimum of 5 years. Records of the control device vendor specifications shall be maintained until removal.

(1) Where an owner or operator subject to the provisions of this subpart seeks to demonstrate compliance with § 60.752(b)(2)(ii):

(i) The maximum expected gas generation flow rate as calculated in § 60.755(a)(1). The owner or operator may use another method to determine the maximum gas generation flow rate,

if the method has been approved by the Administrator.

(ii) The density of wells, horizontal collectors, surface collectors, or other gas extraction devices determined using the procedures specified in § 60.759(a)(1).

(2) Where an owner or operator subject to the provisions of this subpart seeks to demonstrate compliance with § 60.752(b)(2)(iii) through use of an enclosed combustion device other than a boiler or process heater with a design heat input capacity greater than 44 megawatts:

(i) The average combustion temperature measured at least every 15 minutes and averaged over the same time period of the performance test.

(ii) The percent reduction of NMOC determined as specified in § 60.752(b)(2)(iii)(B) achieved by the control device.

(3) Where an owner or operator subject to the provisions of this subpart seeks to demonstrate compliance with § 60.752(b)(2)(iii)(B)(1) through use of a boiler or process heater of any size: a description of the location at which the collected gas vent stream is introduced into the boiler or process heater over the same time period of the performance testing.

(4) Where an owner or operator subject to the provisions of this subpart seeks to demonstrate compliance with § 60.752(b)(2)(iii)(A) through use of an open flare, the flare type (i.e., steam-assisted, air-assisted, or nonassisted), all visible emission readings, heat content determination, flow rate or bypass flow rate measurements, and exit velocity determinations made during the performance test as specified in § 60.18; continuous records of the flare pilot flame or flare flame monitoring and records of all periods of operations during which the pilot flame of the flare flame is absent.

(c) Each owner or operator of a controlled landfill subject to the provisions of this subpart shall keep for 5 years up-to-date, readily accessible continuous records of the equipment operating parameters specified to be monitored in § 60.756 as well as up-to-date, readily accessible records for periods of operation during which the parameter boundaries established during the most recent performance test are exceeded.

(1) The following constitute exceedances that shall be recorded and reported under § 60.757(f):

(i) For enclosed combustors except for boilers and process heaters with design heat input capacity of 44 megawatts (150 million British thermal unit per hour) or greater, all 3-hour periods of

operation during which the average combustion temperature was more than 28 °C below the average combustion temperature during the most recent performance test at which compliance with § 60.752(b)(2)(iii) was determined.

(ii) For boilers or process heaters, whenever there is a change in the location at which the vent stream is introduced into the flame zone as required under paragraph (b)(3)(i) of this section.

(2) Each owner or operator subject to the provisions of this subpart shall keep up-to-date, readily accessible continuous records of the indication of flow to the control device or the indication of bypass flow or records of monthly inspections of car-seals or lock-and-key configurations used to seal bypass lines, specified under § 60.756.

(3) Each owner or operator subject to the provisions of this subpart who uses a boiler or process heater with a design heat input capacity of 44 megawatts or greater to comply with § 60.752(b)(2)(iii) shall keep an up-to-date, readily accessible record of all periods of operation of the boiler or process heater. (Examples of such records could include records of steam use, fuel use, or monitoring data collected pursuant to other State, local, Tribal, or Federal regulatory requirements.)

(4) Each owner or operator seeking to comply with the provisions of this subpart by use of an open flare shall keep up-to-date, readily accessible continuous records of the flame or flare pilot flame monitoring specified under § 60.756(c), and up-to-date, readily accessible records of all periods of operation in which the flame or flare pilot flame is absent.

(d) Each owner or operator subject to the provisions of this subpart shall keep for the life of the collection system an up-to-date, readily accessible plot map showing each existing and planned collector in the system and providing a unique identification location label for each collector.

(1) Each owner or operator subject to the provisions of this subpart shall keep up-to-date, readily accessible records of the installation date and location of all newly installed collectors as specified under § 60.755(b).

(2) Each owner or operator subject to the provisions of this subpart shall keep readily accessible documentation of the nature, date of deposition, amount, and location of asbestos-containing or nondegradable waste excluded from collection as provided in § 60.759(a)(3)(i) as well as any nonproductive areas excluded from collection as provided in § 60.759(a)(3)(ii).

(e) Each owner or operator subject to the provisions of this subpart shall keep for at least 5 years up-to-date, readily accessible records of all collection and control system exceedances of the operational standards in § 60.753, the reading in the subsequent month whether or not the second reading is an exceedance, and the location of each exceedance.

§ 60.759 Specifications for active collection systems.

(a) Each owner or operator seeking to comply with § 60.752(b)(2)(i) shall site active collection wells, horizontal collectors, surface collectors, or other extraction devices at a sufficient density throughout all gas producing areas using the following procedures unless alternative procedures have been approved by the Administrator as provided in § 60.752(b)(2)(i)(C) and (D):

(1) The collection devices within the interior and along the perimeter areas shall be certified to achieve comprehensive control of surface gas emissions by a professional engineer. The following issues shall be addressed in the design: depths of refuse, refuse gas generation rates and flow characteristics, cover properties, gas system expandability, leachate and condensate management, accessibility, compatibility with filling operations, integration with closure end use, air intrusion control, corrosion resistance, fill settlement, and resistance to the refuse decomposition heat.

(2) The sufficient density of gas collection devices determined in paragraph (a)(1) of this section shall address landfill gas migration issues and augmentation of the collection system through the use of active or passive systems at the landfill perimeter or exterior.

(3) The placement of gas collection devices determined in paragraph (a)(1) of this section shall control all gas producing areas, except as provided by paragraphs (a)(3)(i) and (a)(3)(ii) of this section.

(i) Any segregated area of asbestos or nondegradable material may be excluded from collection if documented as provided under § 60.758(d). The documentation shall provide the nature, date of deposition, location and amount of asbestos or nondegradable material deposited in the area, and shall be provided to the Administrator upon request.

(ii) Any nonproductive area of the landfill may be excluded from control, provided that the total of all excluded areas can be shown to contribute less than 1 percent of the total amount of NMOC emissions from the landfill. The

amount, location, and age of the material shall be documented and provided to the Administrator upon request. A separate NMOC emissions estimate shall be made for each section proposed for exclusion, and the sum of all such sections shall be compared to the NMOC emissions estimate for the entire landfill. Emissions from each section shall be computed using the following equation:

$$Q_i = 2 k L_o M_i (e^{-kt_i}) (C_{NMOC}) (3.6 \times 10^{-9})$$

where,

Q_i = NMOC emission rate from the i^{th} section, megagrams per year

k = methane generation rate constant, year^{-1}

L_o = methane generation potential, cubic meters per megagram solid waste

M_i = mass of the degradable solid waste in the i^{th} section, megagram

t_i = age of the solid waste in the i^{th} section, years

C_{NMOC} = concentration of nonmethane organic compounds, parts per million by volume

3.6×10^{-9} = conversion factor

(iii) The values for k , L_o , and C_{NMOC} determined in field testing shall be used, if field testing has been performed in determining the NMOC emission rate or the radii of influence. If field testing has not been performed, the default values for k , L_o , and C_{NMOC} provided in § 60.754(a)(1) shall be used. The mass of nondegradable solid waste contained within the given section may be subtracted from the total mass of the section when estimating emissions provided the nature, location, age, and amount of the nondegradable material is documented as provided in paragraph (a)(3)(i) of this section.

(b) Each owner or operator seeking to comply with § 60.752(b)(2)(i)(A) shall construct the gas collection devices using the following equipment or procedures:

(1) The landfill gas extraction components shall be constructed of polyvinyl chloride (PVC), high density polyethylene (HDPE) pipe, fiberglass, stainless steel, or other nonporous corrosion resistant material of suitable dimensions to: convey projected amounts of gases; withstand installation, static, and settlement forces; and withstand planned overburden or traffic loads. The collection system shall extend as

necessary to comply with emission and migration standards. Collection devices such as wells and horizontal collectors shall be perforated to allow gas entry without head loss sufficient to impair performance across the intended extent of control. Perforations shall be situated with regard to the need to prevent excessive air infiltration.

(2) Vertical wells shall be placed so as not to endanger underlying liners and shall address the occurrence of water within the landfill. Holes and trenches constructed for piped wells and horizontal collectors shall be of sufficient cross-section so as to allow for their proper construction and completion including, for example, centering of pipes and placement of gravel backfill. Collection devices shall be designed so as not to allow indirect short circuiting of air into the cover or refuse into the collection system or gas into the air. Any gravel used around pipe perforations should be of a dimension so as not to penetrate or block perforations.

(3) Collection devices may be connected to the collection header pipes below or above the landfill surface. The connector assembly shall include a positive closing throttle valve, any necessary seals and couplings, access couplings and at least one sampling port. The collection devices shall be constructed of PVC, HDPE, fiberglass, stainless steel, or other nonporous material of suitable thickness.

(c) Each owner or operator seeking to comply with § 60.752(b)(2)(i)(A) shall convey the landfill gas to a control system in compliance with § 60.752(b)(2)(iii) through the collection header pipe(s). The gas mover equipment shall be sized to handle the maximum gas generation flow rate expected over the intended use period of the gas moving equipment using the following procedures:

(1) For existing collection systems, the flow data shall be used to project the maximum flow rate. If no flow data exists, the procedures in paragraph (c)(2) of this section shall be used.

(2) For new collection systems, the maximum flow rate shall be in accordance with § 60.755(a)(1).

10. Part 60 is further amended by adding Methods 2E, 3C and 25C to appendix A as follows:

Appendix A—Reference Methods

* * * * *

Method 2E—Determination of Landfill Gas; Gas Production Flow Rate

1. Applicability and Principle

1.1 Applicability. This method applies to the measurement of landfill gas (LFG) production flow rate from municipal solid waste (MSW) landfills and is used to calculate the flow rate of nonmethane organic compounds (NMOC) from landfills. This method also applies to calculating a site-specific k value as provided in § 60.754(a)(4). It is unlikely that a site-specific k value obtained through Method 2E testing will lower the annual emission estimate below 50 Mg/yr NMOC unless the Tier 2 emission estimate is only slightly higher than 50 Mg/yr NMOC. Dry, arid regions may show a more significant difference between the default and calculated k values than wet regions.

1.2 Principle. Extraction wells are installed either in a cluster of three or at five locations dispersed throughout the landfill. A blower is used to extract LFG from the landfill. LFG composition, landfill pressures near the extraction well, and volumetric flow rate of LFG extracted from the wells are measured and the landfill gas production flow rate is calculated.

2. Apparatus

2.1 Well Drilling Rig. Capable of boring a 0.6 meters diameter hole into the landfill to a minimum of 75 percent of the landfill depth. The depth of the well shall not exceed the bottom of the landfill or the liquid level.

2.2 Gravel. No fines. Gravel diameter should be appreciably larger than perforations stated in sections 2.10 and 3.2 of this method.

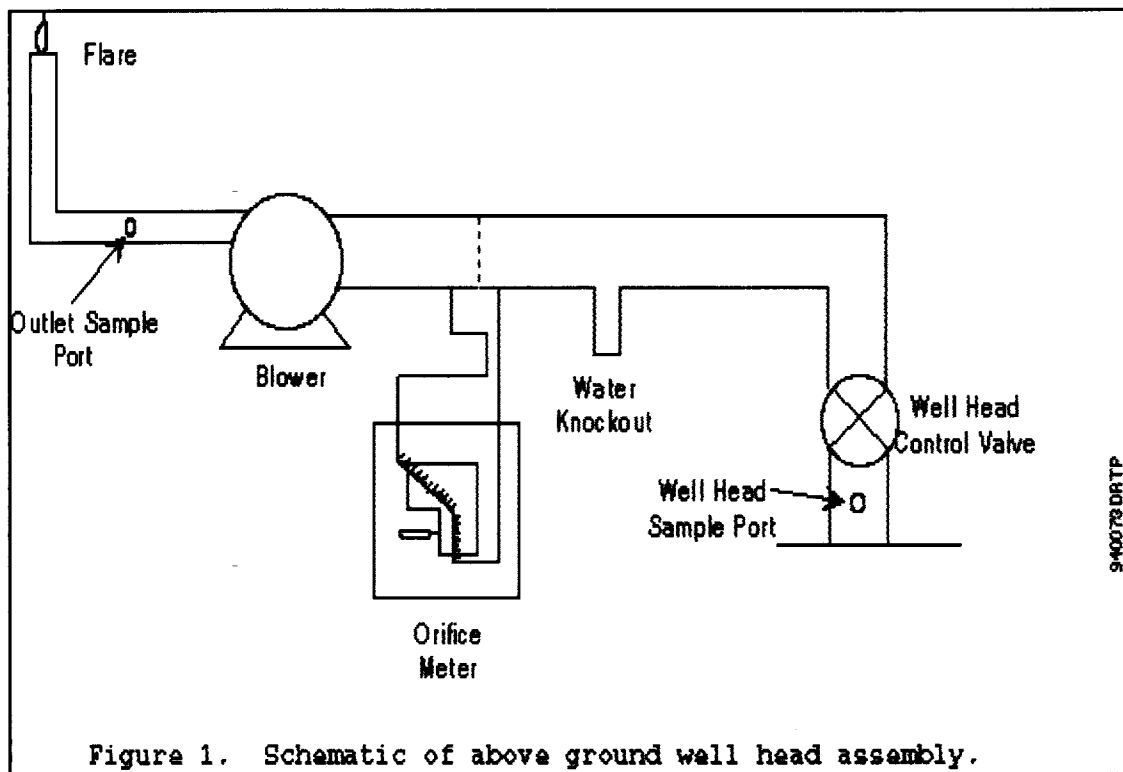
2.3 Bentonite.

2.4 Backfill Material. Clay, soil, and sandy loam have been found to be acceptable.

2.5 Extraction Well Pipe. Polyvinyl chloride (PVC), high density polyethylene (HDPE), fiberglass, stainless steel, or other suitable nonporous material capable of transporting landfill gas with a minimum diameter of 0.075 meters and suitable wall-thickness.

2.6 Wellhead Assembly. Valve capable of adjusting gas flow at the wellhead and outlet, and a flow measuring device, such as an in-line orifice meter or pitot tube. A schematic of the wellhead assembly is shown in figure 1.

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2.7 Cap. PVC, HDPE, fiberglass, stainless steel, or other suitable nonporous material capable of transporting landfill gas with a suitable wall-thickness.

2.8 Header Piping. PVC, HDPE, fiberglass, stainless steel, or other suitable nonporous material capable of transporting landfill gas with a suitable wall-thickness.

2.9 Auger. Capable of boring a 0.15 to 0.23 meters diameter hole to a depth equal to the top of the perforated section of the extraction well, for pressure probe installation.

2.10 Pressure Probe. PVC or stainless steel (316), 0.025 meters. Schedule 40 pipe. Perforate the bottom two thirds. A minimum requirement for perforations is slots or holes with an open area equivalent to four 6.0 millimeter diameter holes spaced 90° apart every 0.15 meters.

2.11 Blower and Flare Assembly. A water knockout, flare or incinerator, and an explosion-proof blower, capable of extracting LFG at a flow rate of at least 8.5 cubic meters per minute.

2.12 Standard Pitot Tube and Differential Pressure Gauge for Flow Rate Calibration with Standard Pitot. Same as Method 2, sections 2.1 and 2.8.

2.13 Gas flow measuring device. Permanently mounted Type S pitot tube or an orifice meter.

2.14 Barometer. Same as Method 4, section 2.1.5.

2.15 Differential Pressure Gauge. Water-filled U-tube manometer or equivalent, capable of measuring within 0.02 mm Hg, for measuring the pressure of the pressure probes.

3. Procedure

3.1 Placement of Extraction Wells. The landfill owner or operator shall either install a single cluster of three extraction wells in a test area or space five wells over the landfill. The cluster wells are recommended but may be used only if the composition, age of the solid waste, and the landfill depth of the test area can be determined. CAUTION: Since this method is complex, only experienced personnel should conduct the test. Landfill gas contains methane, therefore explosive mixtures may exist at or near the landfill. It is advisable to take appropriate safety precautions when testing landfills, such as installing explosion-proof equipment and refraining from smoking.

3.1.1 Cluster Wells. Consult landfill site records for the age of the solid waste, depth, and composition of various sections of the landfill. Select an area near the perimeter of the landfill with a depth equal to or greater than the average depth of the landfill and with the average age of the solid waste between 2 and 10 years old. Avoid areas known to contain nondecomposable materials, such as concrete and asbestos. Locate wells as shown in figure 2.

Because the age of the solid waste in a test area will not be uniform, calculate a weighted average to determine the average age of the solid waste as follows.

$$A_{avg} = \sum_{i=1}^n f_i A_i$$

where,

A_{avg} =average age of the solid waste tested, year

f_i =fraction of the solid waste in the i^{th} section

A_i =age of the i^{th} fraction, year

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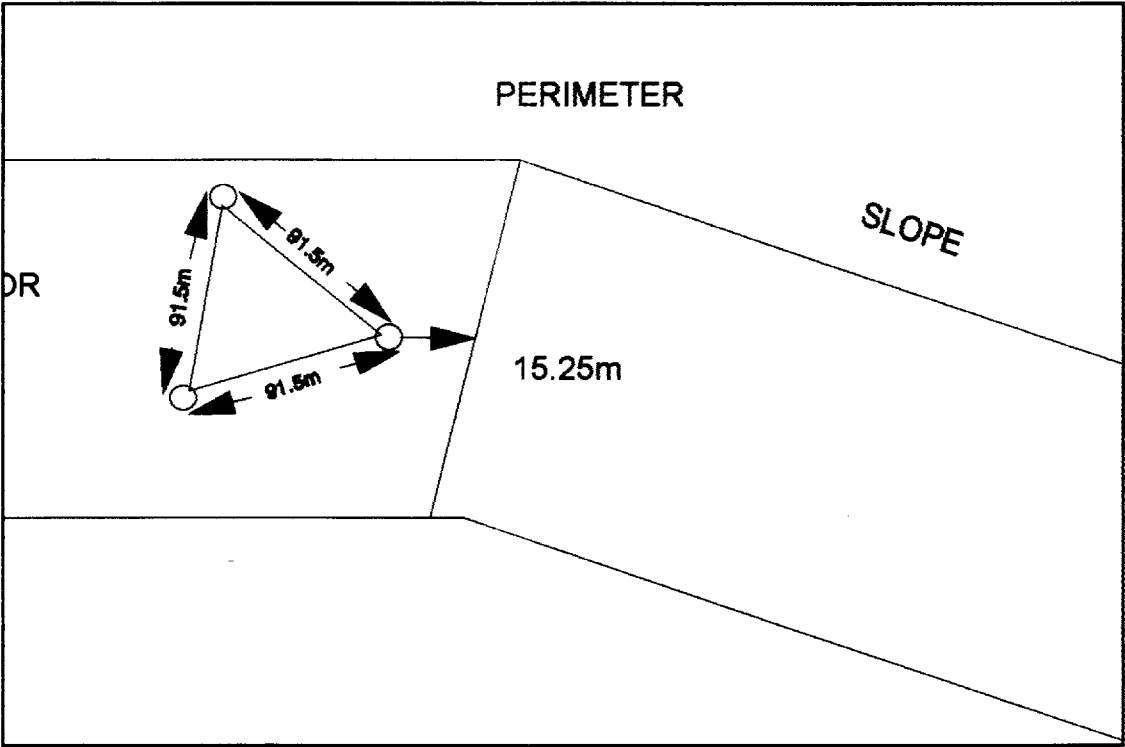
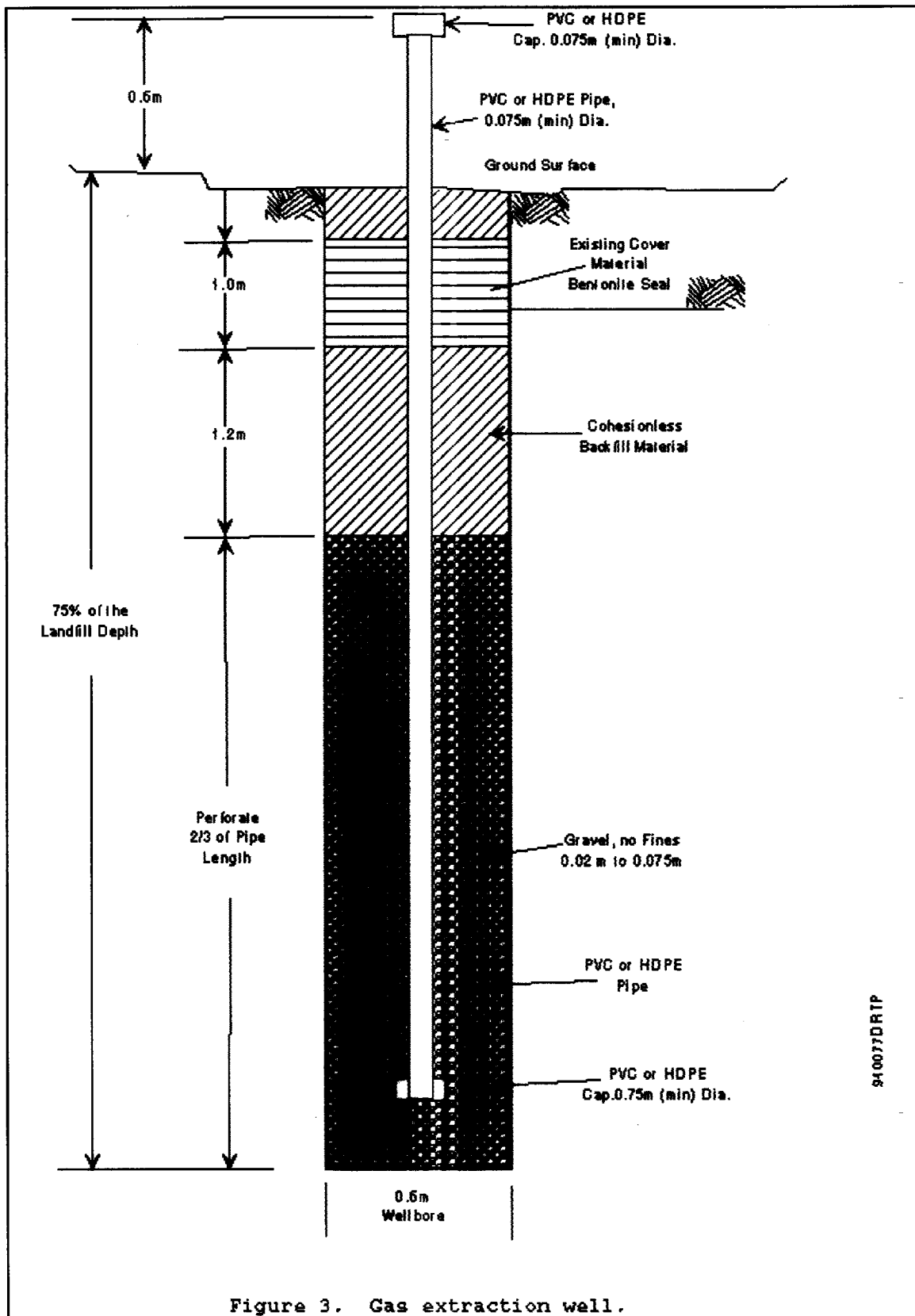


Figure 2. Location of Cluster Wells

3.1.2 Equal Volume Wells. This procedure is used when the composition, age of solid waste, and landfill depth are not well known. Divide the portion of the landfill that has had waste for at least 2 years into five areas representing equal volumes. Locate an extraction well near the center of each area. Avoid areas known to contain nondecomposable materials, such as concrete and asbestos.

3.2 Installation of Extraction Wells. Use a well drilling rig to dig a 0.6 meters diameter hole in the landfill to a minimum of 75 percent of the landfill depth, not to exceed the bottom of the landfill or the water table. Perforate the bottom two thirds of the extraction well pipe. Perforations shall not be closer than 6 meters from the cover. Perforations shall be holes or slots with an open area equivalent to 1.0 centimeter diameter holes spaced 90 degrees apart every 0.1 to 0.2 meters. Place the extraction well in the center of the hole and backfill with 2.0 to 7.5 centimeters gravel to a level 0.3 meters above the perforated section. Add a layer of backfill material 1.2 meters thick. Add a layer of bentonite 1.0 meter thick, and backfill the remainder of the hole with cover material or material equal in permeability to the existing cover material. The specifications for extraction well installation are shown in figure 3.

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3.3 Pressure Probes. Shallow pressure probes are used in the check for infiltration of air into the landfill, and deep pressure probes are used to determine the radius of influence. Locate the deep pressure probes along three radial arms approximately 120 degrees apart at distances of 3, 15, 30, and 45 meters from the extraction well. The tester has the option of locating additional pressure probes at distances every 15 meters beyond 45 meters. Example placements of probes are shown in figure 4.

The probes located 15, 30, and 45 meters from each well, and any additional probes located along the three radial arms (deep probes), shall extend to a depth equal to the top of the perforated section of the extraction wells. Locate three shallow probes at a distance of 3 m from the extraction well. Shallow probes shall extend to a depth equal to half the depth of the deep probes.

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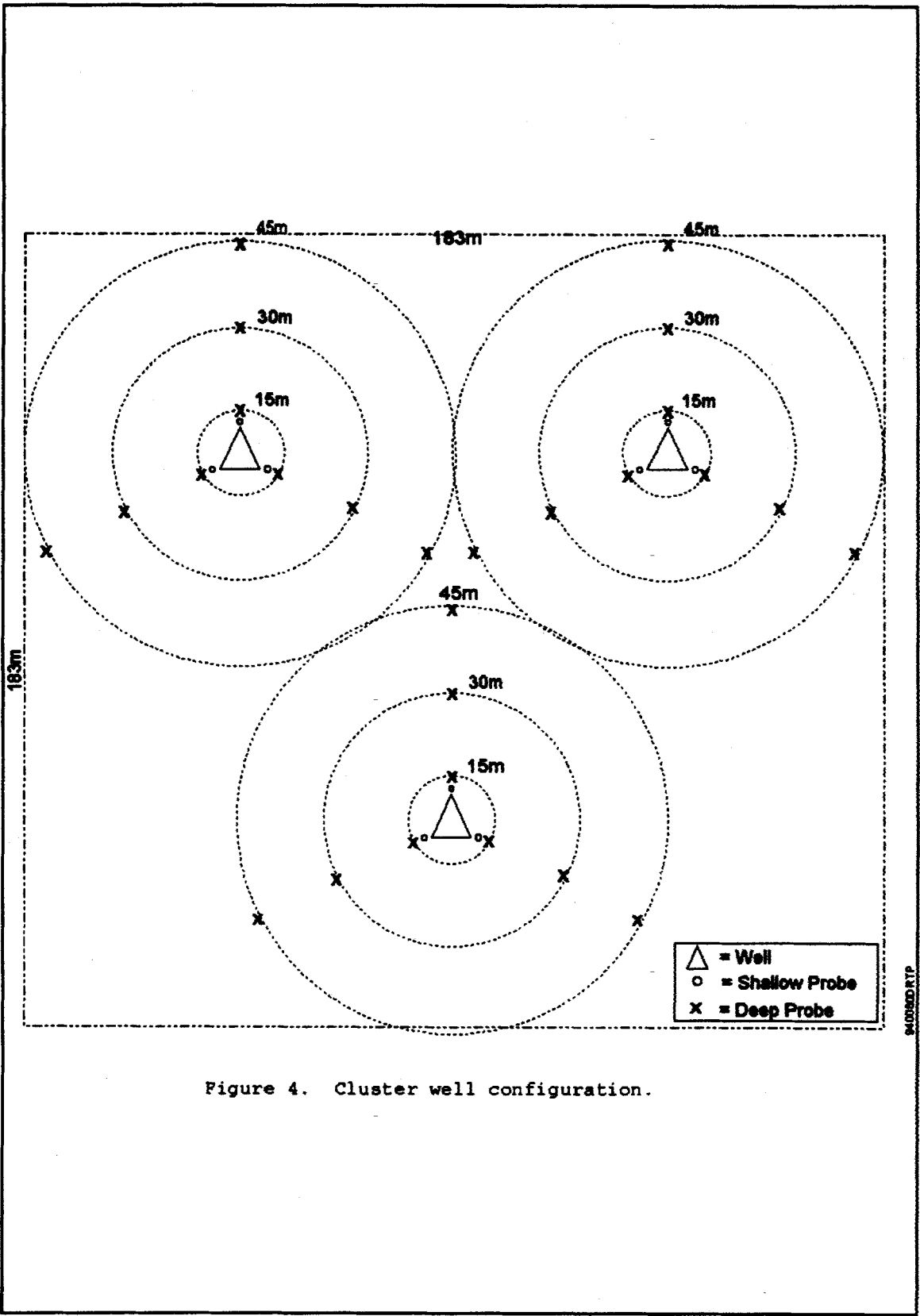


Figure 4. Cluster well configuration.

Use an auger to dig a hole, approximately 0.15 to 0.23 meters in diameter, for each pressure probe. Perforate the bottom two thirds of the pressure probe. Perforations shall be holes or slots with an open area equivalent to four 6.0 millimeter diameter holes spaced 90 degrees apart every 0.15 meters. Place the pressure probe in the center of the hole and backfill with gravel to a level 0.30 meters above the perforated section. Add a layer of backfill material at least 1.2 meters thick. Add a layer of bentonite at least 0.3 meters thick, and backfill the remainder of the hole with cover material or material equal in permeability to the existing cover material. The specifications for pressure probe installation are shown in figure 5.

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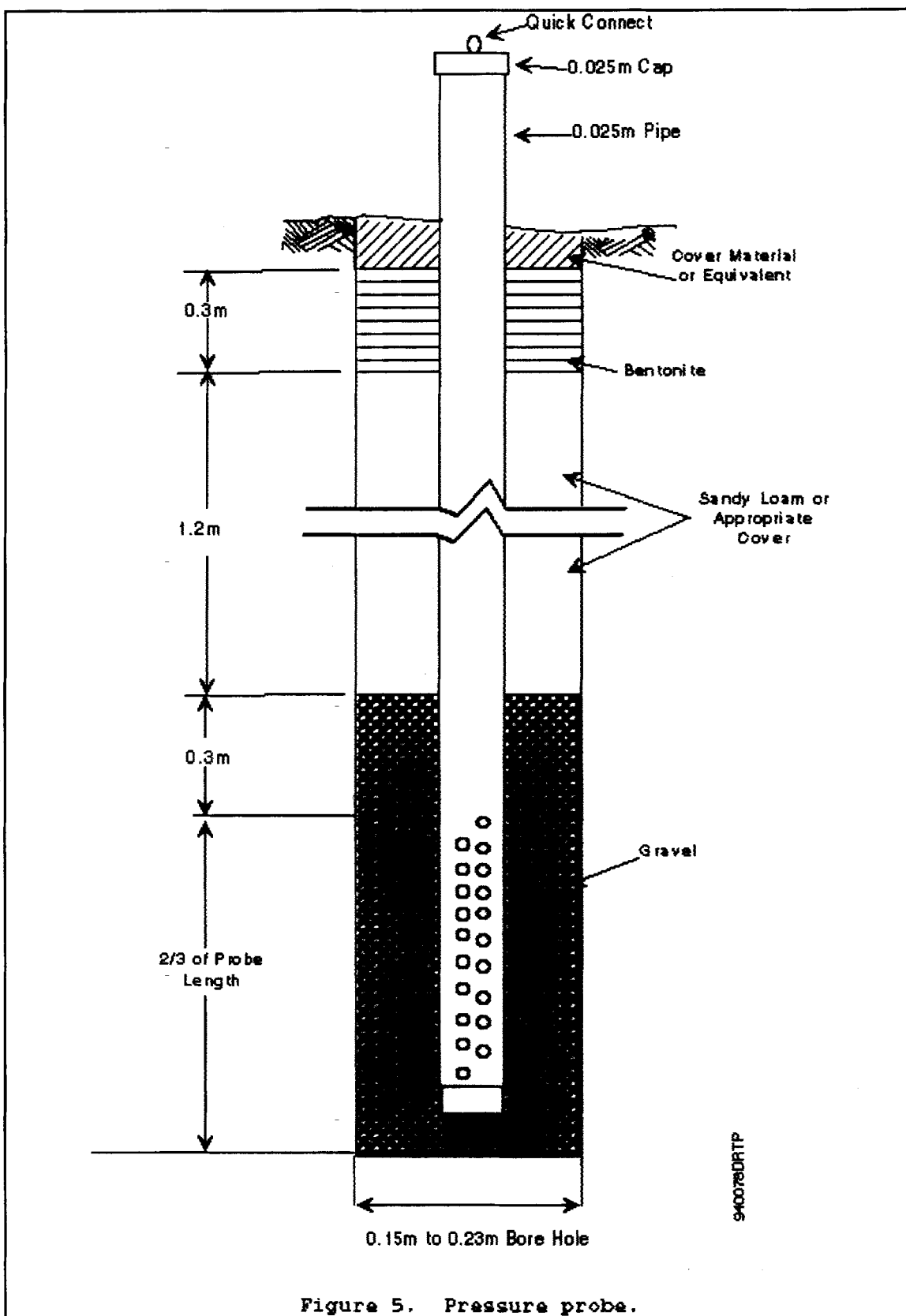


Figure 5. Pressure probe.

3.4 LFG Flow Rate Measurement.

Determine the flow rate of LFG from the test wells continuously during testing with an orifice meter. Alternative methods to measure the LFG flow rate may be used with approval of the Administrator. Locate the orifice meter as shown in figure 1. Attach the wells to the blower and flare assembly. The individual wells may be ducted to a common header so that a single blower and flare assembly and flow meter may be used. Use the procedures in section 4.1 to calibrate the flow meter.

3.5 Leak Check. A leak check of the above ground system is required for accurate flow rate measurements and for safety. Sample LFG at the wellhead sample port and at a point downstream of the flow measuring device. Use Method 3C to determine nitrogen (N_2) concentrations. Determine the difference by using the formula below.

$$\text{Difference} = C_o - C_w$$

where,

C_o =concentration of N_2 at the outlet, ppmv

C_w =concentration of N_2 at the wellhead, ppmv

The system passes the leak check if the difference is less than 10,000 ppmv. If the system fails the leak check, make the appropriate adjustments to the above ground system and repeat the leak check.

3.6 Static Testing. The purpose of the static testing is to determine the initial conditions of the landfill. Close the control valves on the wells so that there is no flow of landfill gas from the well. Measure the gauge pressure (P_g) at each deep pressure probe and the barometric pressure (P_{bar}) every 8 hours for 3 days. Convert the gauge pressure of each deep pressure probe to absolute pressure by using the following equation. Record as P_i .

$$P_i = P_{bar} + P_g$$

where,

P_{bar} =Atmospheric pressure, mm Hg

P_g =Gauge pressure of the deep probes, mm Hg

P_i =Initial absolute pressure of the deep probes during static testing, mm Hg

3.6.1 For each probe, average all of the 8 hr deep pressure probe readings and record as P_{ia} . The P_{ia} is used in section 3.7.6 to determine the maximum radius of influence.

3.6.2 Measure the LFG temperature and the static flow rate of each well once during static testing using a flow measurement device, such as a Type S pitot tube and measure the temperature of the landfill gas. The flow measurements should be made either just before or just after the measurements of the probe pressures and are used in determining the initial flow from the extraction well during the short term testing. The temperature measurement is used in the check for infiltration.

3.7 Short Term Testing. The purpose of short term testing is to determine the maximum vacuum that can be applied to the wells without infiltration of air into the landfill. The short term testing is done on one well at a time. During the short term testing, burn LFG with a flare or incinerator.

3.7.1 Use the blower to extract LFG from a single well at a rate at least twice the static

flow rate of the respective well measured in section 3.6.2. If using a single blower and flare assembly and a common header system, close the control valve on the wells not being measured. Allow 24 hours for the system to stabilize at this flow rate.

3.7.2 Check for infiltration of air into the landfill by measuring the temperature of the LFG at the wellhead, the gauge pressures of the shallow pressure probes, and the LFG N_2 concentration by using Method 3C.

CAUTION: Increased vacuum at the wellhead may cause infiltration of air into the landfill, which increases the possibility of a landfill fire. Infiltration of air into the landfill may occur if any of the following conditions are met: the LFG N_2 concentration is more than 20 percent, any of the shallow probes have a negative gauge pressure, or the temperature has increased above 55°C or the maximum established temperature during static testing. If infiltration has not occurred, increase the blower vacuum by 4 mm Hg, wait 24 hours, and repeat the infiltration check. If at any time, the temperature change exceeds the limit, stop the test until it is safe to proceed. Continue the above steps of increasing blower vacuum by 4 mm Hg, waiting 24 hours, and checking for infiltration until the concentration of N_2 exceeds 20 percent or any of the shallow probes have a negative gauge pressure, at which time reduce the vacuum at the wellhead so that the N_2 concentration is less than 20 percent and the gauge pressures of the shallow probes are positive. This is the maximum vacuum at which infiltration does not occur.

3.7.3 At this maximum vacuum, measure P_{bar} every 8 hours for 24 hours and record the LFG flow rate as Q_s and the probe gauge pressures for all of the probes as P_r . Convert the gauge pressures of the deep probes to absolute pressures for each 8-hour reading at Q_s as follows:

$$P = P_{bar} + P_r$$

where,

P_{bar} =Atmospheric pressure, mm Hg

P_r =Final absolute pressure of the deep probes during short term testing, mm Hg

P =Pressure of the deep probes, mm Hg

3.7.4 For each probe, average the 8-hr deep pressure probe readings and record as P_{ia} .

3.7.5 For each probe, compare the initial average pressure (P_{ia}) from section 3.6.1 to the final average pressure (P_{fa}). Determine the furthestmost point from the wellhead along each radial arm where $P_{fa} \leq P_{ia}$. This distance is the maximum radius of influence (ROI), which is the distance from the well affected by the vacuum. Average these values to determine the average maximum radius of influence (R_{ma}).

The average R_{ma} may also be determined by plotting on semi-log paper the pressure differentials ($P_{fa} - P_{ia}$) on the y-axis (abscissa) versus the distances (3, 15, 30 and 45 meters) from the wellhead on the x-axis (ordinate). Use a linear regression analysis to determine the distance when the pressure differential is zero. Additional pressure probes may be used to obtain more points on the semi-log plot of pressure differentials versus distances.

3.7.6 Calculate the depth (D_{st}) affected by the extraction well during the short term test

as follows. If the computed value of D_{st} exceeds the depth of the landfill, set D_{st} equal to the landfill depth.

$$D_{st} = WD + R_{ma}^2$$

where,

D_{st} =depth, m

WD =well depth, m

R_{ma} =maximum radius of influence, m

3.7.7 Calculate the void volume for the extraction well (V) as follows.

$$V = 0.40 \pi R_{ma}^2 D_{st}$$

where,

V =void volume of test well, m³

R_{ma} =maximum radius of influence, m

D_{st} =depth, m

3.7.8 Repeat the procedures in section 3.7 for each well.

3.8 Calculate the total void volume of the test wells (V_v) by summing the void volumes (V) of each well.

3.9 Long Term Testing. The purpose of long term testing is to determine the methane generation rate constant, k. Use the blower to extract LFG from the wells. If a single blower and flare assembly and common header system are used, open all control valves and set the blower vacuum equal to the highest stabilized blower vacuum demonstrated by any individual well in section 3.7. Every 8 hours, sample the LFG from the wellhead sample port, measure the gauge pressures of the shallow pressure probes, the blower vacuum, the LFG flow rate, and use the criteria for infiltration in section 3.7.2 and Method 3C to check for infiltration. If infiltration is detected, do not reduce the blower vacuum, but reduce the LFG flow rate from the well by adjusting the control valve on the wellhead. Adjust each affected well individually. Continue until the equivalent of two total void volumes (V_v) have been extracted, or until $V_t = 2 V_v$.

3.9.1 Calculate V_t , the total volume of LFG extracted from the wells, as follows.

$$V_t = \sum_{i=1}^n 60 Q_i t_{vi}$$

where,

V_t =total volume of LFG extracted from wells, m³

Q_i =LFG flow rate measured at orifice meter at the i^{th} interval, cubic meters per minute

t_{vi} =time of the i^{th} interval, hour (usually 8)

3.9.2 Record the final stabilized flow rate as Q_f . If, during the long term testing, the flow rate does not stabilize, calculate Q_f by averaging the last 10 recorded flow rates.

3.9.3 For each deep probe, convert each gauge pressure to absolute pressure as in section 3.7.4. Average these values and record as P_{sa} . For each probe, compare P_{ia} to P_{sa} . Determine the furthestmost point from the wellhead along each radial arm where $P_{sa} \leq P_{ia}$. This distance is the stabilized radius of influence. Average these values to determine the average stabilized radius of influence (R_{sa}).

3.10 Determine the NMOC mass emission rate using the procedures in section 5.

3.11 Deactivation of pressure probe holes. Upon completion of measurements, if pressure probes are removed, restore the

integrity of the landfill cover by backfilling and sealing to prevent venting of LFG to the atmosphere or air infiltration.

4. Calibrations

Gas Flow Measuring Device Calibration Procedure. Locate a standard pitot tube in line with a gas flow measuring device. Use the procedures in Method 2D, section 4, to calibrate the orifice meter. Method 3C may be used to determine the dry molecular weight. It may be necessary to calibrate more than one gas flow measuring device to bracket the landfill gas flow rates. Construct a calibration curve by plotting the pressure drops across the gas flow measuring device for each flow rate versus the average dry gas volumetric flow rate in cubic meters per minute of the gas. Use this calibration curve to determine the volumetric flow from the wells during testing.

5. Calculations

5.1 Nomenclature.

A_{avg} =average age of the solid waste tested, year
 A_i =age of solid waste in the i th fraction, year
 A =age of landfill, year
 A_r =acceptance rate, megagrams per year
 C_{NMOC} =NMOC concentration, ppmv as hexane ($C_{NMOC}=C_i/6$)
 C_i =NMOC concentration, ppmv (carbon equivalent) from Method 25C
 D =depth affected by the test wells, m
 D_{st} =depth affected by the test wells in the short term test, m
 D_{LF} =landfill depth, m
 f =fraction of decomposable solid waste in the landfill
 f_i =fraction of the solid waste in the i th section
 k =methane generation rate constant, year^{-1}
 L_o =methane generation potential, cubic meters per megagram
 L_o =revised methane generation potential to account for the amount of nondecomposable material in the landfill, cubic meters per megagram
 M_i =mass of solid waste of the i th section, megagrams
 M_r =mass of decomposable solid waste affected by the test well, megagrams
 M_w =number of wells
 P_{bar} =atmospheric pressure, mm Hg
 P_g =gauge pressure of the deep pressure probes, mm Hg
 P_i =initial absolute pressure of the deep pressure probes during static testing, mm Hg
 P_{ia} =average initial absolute pressure of the deep pressure probes during static testing, mm Hg
 P_r =final absolute pressure of the deep pressure probes during short term testing, mm Hg
 P_{fa} =average final absolute pressure of the deep pressure probes during short term testing, mm Hg
 P_s =final absolute pressure of the deep pressure probes during long term testing, mm Hg
 P_{sa} =average final absolute pressure of the deep pressure probes during long term testing, mm Hg
 Q_B =required blow flow rate, cubic meters per minute

Q_r =final stabilized flow rate, cubic meters per minute
 Q_i =LFG flow rate measured at orifice meter during the i th interval, cubic meters per minute
 Q_s =maximum LFG flow rate at each well determined by short term test, cubic meters per minute
 Q_t =NMOC mass emission rate, cubic meters per minute
 R_m =maximum radius of influence, m
 R_{ma} =average maximum radius of influence, m
 R_s =stabilized radius of influence for an individual well, m
 R_{sa} =average stabilized radius of influence, m
 t_i =age of section i , year
 t_t =total time of long term testing, year
 V =void volume of test well, m^3
 V_r =volume of solid waste affected by the test well, m^3
 V_t =total volume of solid waste affected by the long term testing, m^3
 V_v =total void volume affected by test wells, m^3
 WD =well depth, m
 ρ =solid waste density, m^3 (Assume 0.64 megagrams per cubic meter if data are unavailable)

5.2 Use the following equation to calculate the depth affected by the test well. If using cluster wells, use the average depth of the wells for WD . If the value of D is greater than the depth of the landfill, set D equal to the landfill depth.

$$D=WD+R_{sa}$$

5.3 Use the following equation to calculate the volume of solid waste affected by the test well.

$$V_r=R_{sa}^2 \pi D$$

5.4 Use the following equation to calculate the mass affected by the test well.

$$M_r=V_r \rho$$

5.5 Modify L_o to account for the nondecomposable solid waste in the landfill.

$$L_o'=f L_o$$

5.6 In the following equation, solve for k by iteration. A suggested procedure is to select a value for k , calculate the left side of the equation, and if not equal to zero, select another value for k . Continue this process until the left hand side of the equation equals zero, #0.001.

$$k e^{-k} A_{avg} - \left(5.256 \times 10^5 \right) \frac{Q_f}{2 L_o' M_r} = 0$$

5.7 Use the following equation to determine landfill NMOC mass emission rate if the yearly acceptance rate of solid waste has been consistent (± 10 percent) over the life of the landfill.

$$Q_t = 2 L_o' A_r (1 - e^{-k} A) C_{NMOC} / (5.256 \times 10^{11})$$

5.8 Use the following equation to determine landfill NMOC mass emission rate if the acceptance rate has not been consistent over the life of the landfill.

$$Q_t = \frac{2 k L_o' C_{NMOC}}{(5.256 \times 10^{11})} \sum_{i=1}^n M_i e^{-k t_i}$$

6. Bibliography

1. Same as Method 2, appendix A, 40 CFR part 60.
2. Emcon Associates, Methane Generation and Recovery from Landfills. Ann Arbor Science, 1982.
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5. Letter and attachments from Briggum, S., Waste Management of North America, to Thorneloe, S., EPA. Response to July 28, 1988 request for additional information. August 18, 1988.
6. Letter and attachments from Briggum, S., Waste Management of North America, to Wyatt, S., EPA. Response to December 7, 1988 request for additional information. January 16, 1989.

* * * * *

Method 3C—Determination of Carbon Dioxide, Methane, Nitrogen, and Oxygen From Stationary Sources

1. Applicability and Principle

1.1 Applicability. This method applies to the analysis of carbon dioxide (CO_2), methane (CH_4), nitrogen (N_2), and oxygen (O_2) in samples from municipal solid waste landfills and other sources when specified in an applicable subpart.

1.2 Principle. A portion of the sample is injected into a gas chromatograph (GC) and the CO_2 , CH_4 , N_2 , and O_2 concentrations are determined by using a thermal conductivity detector (TCD) and integrator.

2. Range and Sensitivity

2.1 Range. The range of this method depends upon the concentration of samples. The analytical range of TCD's is generally between approximately 10 ppmv and the upper percent range.

2.2 Sensitivity. The sensitivity limit for a compound is defined as the minimum detectable concentration of that compound, or the concentration that produces a signal-to-noise ratio of three to one. For CO_2 , CH_4 , N_2 , and O_2 , the sensitivity limit is in the low ppmv range.

3. Interferences

Since the TCD exhibits universal response and detects all gas components except the carrier, interferences may occur. Choosing the appropriate GC or shifting the retention times by changing the column flow rate may help to eliminate resolution interferences.

To assure consistent detector response, helium is used to prepare calibration gases. Frequent exposure to samples or carrier gas containing oxygen may gradually destroy filaments.

4. Apparatus

4.1 Gas Chromatograph. GC having at least the following components:

4.1.1 Separation Column. Appropriate column(s) to resolve CO_2 , CH_4 , N_2 , O_2 , and other gas components that may be present in the sample.

4.1.2 Sample Loop. Teflon or stainless steel tubing of the appropriate diameter.

Note: Mention of trade names or specific products does not constitute endorsement or recommendation by the U. S. Environmental Protection Agency.

4.1.3 Conditioning System. To maintain the column and sample loop at constant temperature.

4.1.4 Thermal Conductivity Detector.

4.2 Recorder. Recorder with linear strip chart. Electronic integrator (optional) is recommended.

4.3 Teflon Tubing. Diameter and length determined by connection requirements of cylinder regulators and the GC.

4.4 Regulators. To control gas cylinder pressures and flow rates.

4.5 Adsorption Tubes. Applicable traps to remove any O₂ from the carrier gas.

5. Reagents

5.1 Calibration and Linearity Gases. Standard cylinder gas mixtures for each compound of interest with at least three concentration levels spanning the range of suspected sample concentrations. The calibration gases shall be prepared in helium.

5.2 Carrier Gas. Helium, high-purity.

6. Analysis

6.1 Sample Collection. Use the sample collection procedures described in Methods 3 or 25C to collect a sample of landfill gas (LFG).

6.2 Preparation of GC. Before putting the GC analyzer into routine operation, optimize the operational conditions according to the manufacturer's specifications to provide good resolution and minimum analysis time. Establish the appropriate carrier gas flow and set the detector sample and reference cell flow rates at exactly the same levels. Adjust the column and detector temperatures to the recommended levels. Allow sufficient time for temperature stabilization. This may typically require 1 hour for each change in temperature.

6.3 Analyzer Linearity Check and Calibration. Perform this test before sample analysis. Using the gas mixtures in section 5.1, verify the detector linearity over the range of suspected sample concentrations with at least three points per compound of interest. This initial check may also serve as the initial instrument calibration. All subsequent calibrations may be performed using a single-point standard gas provided the calibration point is within 20 percent of the sample component concentration. For each instrument calibration, record the carrier and detector flow rates, detector filament and block temperatures, attenuation factor, injection time, chart speed, sample loop volume, and component concentrations. Plot a linear regression of the standard concentrations versus area values to obtain the response factor of each compound. Alternatively, response factors of uncorrected component concentrations (wet basis) may be generated using instrumental integration. Note: Peak height may be used instead of peak area throughout this method.

6.4 Sample Analysis. Purge the sample loop with sample, and allow to come to atmospheric pressure before each injection. Analyze each sample in duplicate, and calculate the average sample area (A). The

results are acceptable when the peak areas for two consecutive injections agree within 5 percent of their average. If they do not agree, run additional samples until consistent area data are obtained. Determine the tank sample concentrations according to section 7.2.

7. Calculations

Carry out calculations retaining at least one extra decimal figure beyond that of the acquired data. Round off results only after the final calculation.

7.1 Nomenclature.

A = average sample area

B_w = moisture content in the sample, fraction

C = component concentration in the sample, dry basis, ppmv

C_t = calculated NMOC concentration, ppmv
C equivalent

C_{tm} = measured NMOC concentration, ppmv
C equivalent

P_{bar} = barometric pressure, mm Hg

P_{ti} = gas sample tank pressure after evacuation, mm Hg absolute

P_t = gas sample tank pressure after sampling, but before pressurizing, mm Hg absolute

P_{tf} = final gas sample tank pressure after pressurizing, mm Hg absolute

P_w = vapor pressure of H₂O (from table 3C-1), mm Hg

T_{ti} = sample tank temperature before sampling, °K

T_t = sample tank temperature at completion of sampling, °K

T_{tf} = sample tank temperature after pressurizing, °K

r = total number of analyzer injections of sample tank during analysis (where j = injection number, 1 . . . r)

R = Mean calibration response factor for specific sample component, area/ppmv

TABLE 3C-1.—MOISTURE CORRECTION

Temperature °C	Vapor Pressure of H ₂ O, mm Hg
4	6.1
6	7.0
8	8.0
10	9.2
12	10.5
14	12.0
16	13.6
18	15.5
20	17.5
22	19.8
24	22.4
26	25.2
28	28.3
30	31.8

7.2 Concentration of Sample Components. Calculate C for each compound using Equations 3C-1 and 3C-2. Use the temperature and barometric pressure at the sampling site to calculate B_w. If the sample was diluted with helium using the procedures in Method 25C, use Equation 3C-3 to calculate the concentration.

$$B_w = \frac{P_w}{P_{bar}} \quad 3C-1$$

$$C = \frac{A}{R(1 - B_w)} \quad 3C-2$$

$$C = \frac{\frac{P_{tf}}{T_{tf}}}{\frac{P_t}{T_t} - \frac{P_{ti}}{T_{ti}}} \cdot \frac{A}{R(1 - B_w)} \quad 3C-3$$

8. Bibliography

1. McNair, H.M., and E.J. Bonnelly. Basic Gas Chromatography. Consolidated Printers, Berkeley, CA. 1969.

* * * * *

Method 25C—Determination of Nonmethane Organic Compounds (NMOC) in MSW Landfill Gases

1. Applicability and Principle

1.1 Applicability. This method is applicable to the sampling and measurement of nonmethane organic compounds (NMOC) as carbon in MSW landfill gases.

1.2 Principle. A sample probe that has been perforated at one end is driven or augered to a depth of 1.0 meter below the bottom of the landfill cover. A sample of the landfill gas is extracted with an evacuated cylinder. The NMOC content of the gas is determined by injecting a portion of the gas into a gas chromatographic column to separate the NMOC from carbon monoxide (CO), carbon dioxide (CO₂), and methane (CH₄); the NMOC are oxidized to CO₂, reduced to CH₄, and measured by a flame ionization detector (FID). In this manner, the variable response of the FID associated with different types of organics is eliminated.

2. Apparatus

2.1 Sample Probe. Stainless steel, with the bottom third perforated. The sample probe shall be capped at the bottom and shall have a threaded cap with a sampling attachment at the top. The sample probe shall be long enough to go through and extend no less than 1.0 meter below the landfill cover. If the sample probe is to be driven into the landfill, the bottom cap should be designed to facilitate driving the probe into the landfill.

2.2 Sampling Train.

2.2.1 Rotameter with Flow Control Valve. Capable of measuring a sample flow rate of 500 ml/min or less (30.5±3.1 m³/min). The control valve shall be made of stainless steel.

2.2.2 Sampling Valve. Stainless steel.

2.2.3 Pressure Gauge. U-tube mercury manometer, or equivalent, capable of measuring pressure to within 1 mm Hg in the range of 0 to 1,100 mm Hg.

2.2.4 Sample Tank. Stainless steel or aluminum cylinder, with a minimum volume of 4 liters and equipped with a stainless steel sample tank valve.

2.3 Vacuum Pump. Capable of evacuating to an absolute pressure of 10 mm Hg.

2.4 Purging Pump. Portable, explosion proof, and suitable for sampling NMOC.

2.5 Pilot Probe Procedure. The following are needed only if the tester chooses to use the procedure described in section 4.2.1.

2.5.1 Pilot Probe. Tubing of sufficient strength to withstand being driven into the landfill by a post driver and an outside diameter of at least 6.0 millimeters smaller than the sample probe. The pilot probe shall be capped on both ends and long enough to go through the landfill cover and extend no less than 1.0 meter into the landfill.

2.5.2 Post Driver and Compressor. Capable of driving the pilot probe and the sampling probe into the landfill.

2.6 Auger Procedure. The following are needed only if the tester chooses to use the procedure described in section 4.2.2.

2.6.1 Auger. Capable of drilling through the landfill cover and to a depth of no less than 0.9 meters into the landfill.

2.6.2 Pea Gravel.

2.6.3 Bentonite.

2.7 NMOC Analyzer, Barometer, Thermometer, and Syringes. Same as in sections 2.3, 2.4.1, 2.4.2, 2.4.4, respectively, of Method 25.

3. Reagents

3.1 NMOC Analysis. Same as in Method 25, section 3.2.

3.2 Calibration. Same as in Method 25, section 3.4, except omit section 3.4.3.

4. Procedure

4.1 Sample Tank Evacuation and Leak Check. Conduct the sample tank evacuation and leak check either in the laboratory or the field. Connect the pressure gauge and sampling valve to the sample tank. Evacuate the sample tank to 10 mm Hg absolute pressure or less. Close the sampling valve, and allow the tank to sit for 60 minutes. The tank is acceptable if no change is noted. Include the results of the leak check in the test report.

4.2 Sample Probe Installation. The tester may use the procedure in sections 4.2.1 or 4.2.2. CAUTION: Since this method is complex, only experienced personnel should perform this test. LFG contains methane, therefore explosive mixtures may exist on or near the landfill. It is advisable to take appropriate safety precautions when testing landfills, such as refraining from smoking and installing explosion-proof equipment.

4.2.1 Pilot Probe Procedure. Use the post driver to drive the pilot probe at least 1.0 meter below the landfill cover. Alternative procedures to drive the probe into the landfill may be used subject to the approval of the Administrator.

Remove the pilot probe and drive the sample probe into the hole left by the pilot probe. The sample probe shall extend not less than 1.0 meter below the landfill cover and shall protrude about 0.3 meters above the landfill cover. Seal around the sampling probe with bentonite and cap the sampling probe with the sampling probe cap.

4.2.2 Auger Procedure. Use an auger to drill a hole through the landfill cover and to at least 1.0 meter below the landfill cover. Place the sample probe in the hole and backfill with pea gravel to a level 0.6 meters from the surface. The sample probe shall protrude at least 0.3 meters above the landfill cover. Seal the remaining area around the probe with bentonite. Allow 24 hours for the landfill gases to equilibrate inside the augered probe before sampling.

4.3 Sample Train Assembly. Prepare the sample by evacuating and filling the sample tank with helium three times. After the third evacuation, charge the sample tank with helium to a pressure of approximately 325 mm Hg. Record the pressure, the ambient temperature, and the barometric pressure. Assemble the sampling probe purging system as shown in figure 1.

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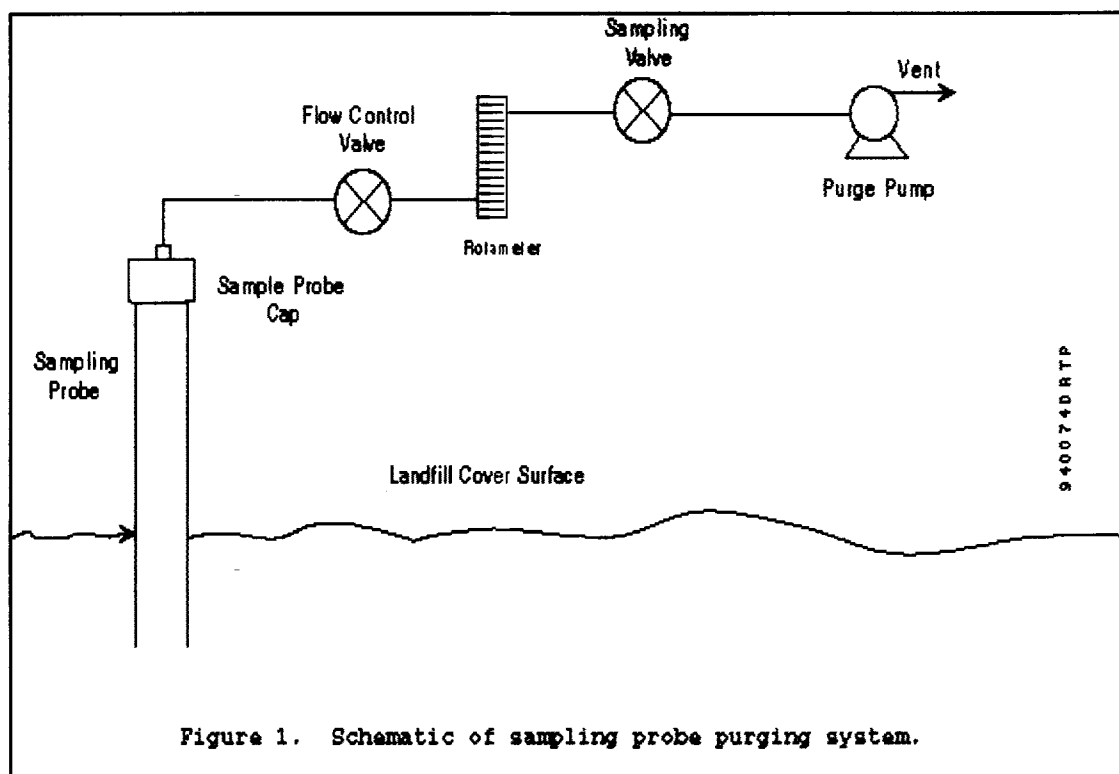


Figure 1. Schematic of sampling probe purging system.

4.4 Sampling Procedure. Open the sampling valve and use the purge pump and the flow control valve to evacuate at least two sample probe volumes from the system at a flow rate of 500 ml/min or less (30.5 ± 3.1 m³/min). Close the sampling valve and replace the purge pump with the sample tank apparatus as shown in figure 2. Open the sampling valve and the sample tank valves

and, using the flow control valve, sample at a flow rate of 500 ml/min or less (30.5 ± 3.1 m³/min) until the sample tank gauge pressure is zero. Disconnect the sampling tank apparatus and use the carrier gas bypass valve to pressurize the sample cylinder to approximately 1,060 mm Hg absolute pressure with helium and record the final pressure. Alternatively, the sample tank may

be pressurized in the lab. If not analyzing for N₂, the sample cylinder may be pressurized with zero air. Use Method 3C to determine the percent N₂ in the sample. Presence of N₂ indicates infiltration of ambient air into the gas sample. The landfill sample is acceptable if the concentration of N₂ is less than 20 percent.

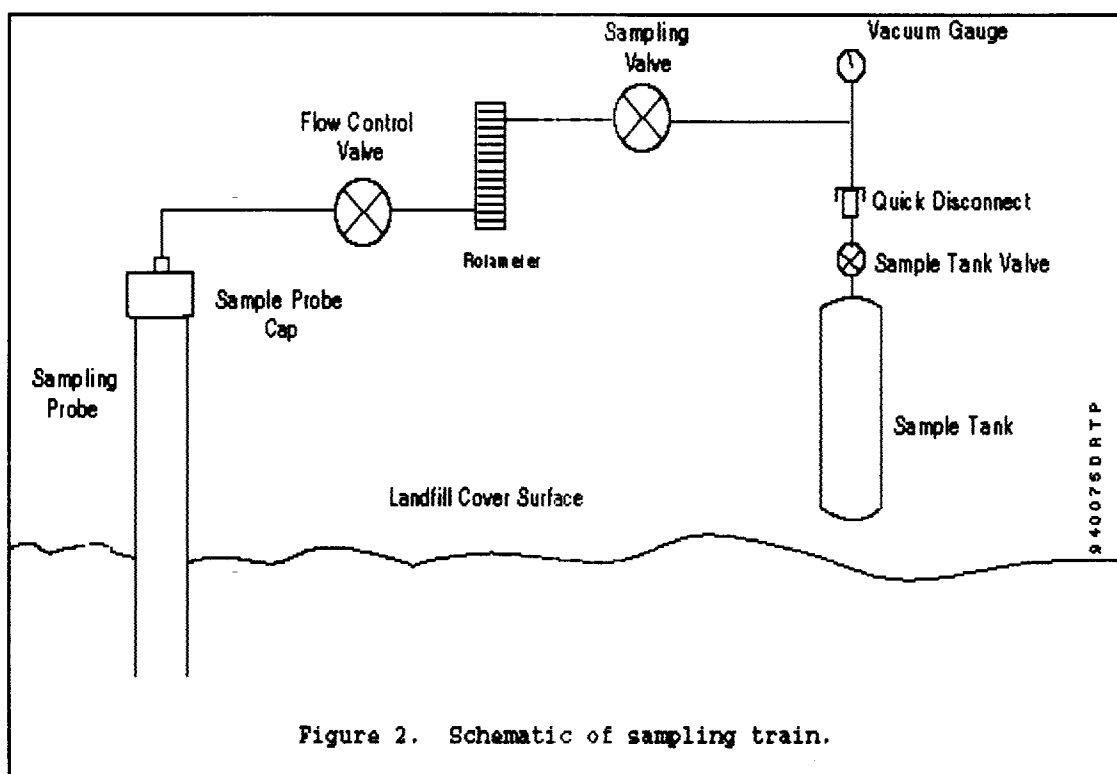


Figure 2. Schematic of sampling train.

4.5 Analysis. The oxidation, reduction, and measurement of NMOC is similar to Method 25. Before putting the NMOC analyzer into routine operation, conduct an initial performance test. Start the analyzer, and perform all the necessary functions to put the analyzer into proper working order. Conduct the performance test according to the procedures established in section 5.1. Once the performance test has been successfully completed and the NMOC calibration response factor has been determined, proceed with sample analysis as follows:

4.5.1 Daily Operations and Calibration Checks. Before and immediately after the analysis of each set of samples or on a daily basis (whichever occurs first), conduct a calibration test according to the procedures established in section 5.2. If the criteria of the daily calibration test cannot be met, repeat the NMOC analyzer performance test (section 5.1) before proceeding.

4.5.2 Operating Conditions. Same as in Method 25, section 4.4.2.

4.5.3 Analysis of Sample Tank. Purge the sample loop with sample, and then inject the sample. Under the specified operating conditions, the CO₂ in the sample will elute in approximately 100 seconds. As soon as the detector response returns to baseline following the CO₂ peak, switch the carrier gas flow to backflush, and raise the column oven temperature to 195 °C as rapidly as possible. A rate of 30 °C/min has been shown to be adequate. Record the value obtained for any measured NMOC. Return the column oven temperature to 85 °C in preparation for the next analysis. Analyze each sample in triplicate, and report the average as C_{tm}.

4.6 Audit Samples. Same as in Method 25, section 4.5.

4.7 Deactivation of Sample Probe Holes. Once sampling has taken place, either plug the sampling probes with a cap or remove the probes and refill the hole with cover material.

5. Calibration and Operational Checks

Maintain a record of performance of each item.

5.1 Initial NMOC Analyzer Performance Test. Same as in Method 25, section 5.2, except omit the linearity checks for CO₂ standards.

5.2 NMOC Analyzer Daily Calibration. NMOC response factors, same as in Method 25, section 5.3.2.

6. Calculations

All equations are written using absolute pressure; absolute pressures are determined by adding the measured barometric pressure to the measured gauge of manometer pressure.

6.1 Nomenclature.

B_w=moisture content in the sample, fraction
C_{N2}=measured N₂ concentration, fraction
C_i=calculated NMOC concentration, ppmv C equivalent
C_{tm}=measured NMOC concentration, ppmv C equivalent
P_b=barometric pressure, mm Hg
P_{ti}=gas sample tank pressure before sampling, mm Hg absolute
P_t=gas sample tank pressure at completion of sampling, but before pressurizing, mm Hg absolute
P_{tf}=final gas sample tank pressure after pressurizing, mm Hg absolute
P_w=vapor pressure of H₂O (from table 25C-1), mm Hg
T_{ti}=sample tank temperature before sampling, °K

T_t=sample tank temperature at completion of sampling, but before pressurizing, °K
T_{tf}=sample tank temperature after pressurizing, °K
r=total number of analyzer injections of sample tank during analysis (where j= injection number, 1 . . . r)

6.2 Water Correction. Use table 25C-1, the LFG temperature, and barometric pressure at the sampling site to calculate B_w.

$$B_w = \frac{P_w}{P_b}$$

TABLE 25C-1.—MOISTURE CORRECTION

Temperature, °C	Vapor Pressure of H ₂ O, mm Hg
4	6.1
6	7.0
8	8.0
1	9.2
12	10.5
14	12.0
16	13.6
18	15.5
20	17.5
22	19.8
24	22.4
26	25.2
28	28.3
30	31.8

6.3 NMOC Concentration. Use the following equation to calculate the concentration of NMOC for each sample tank.

$$C_t = \frac{\frac{P_{tf}}{T_{tf}}}{\frac{P_t}{T_t} - \frac{P_{ti}}{T_{ti}}} \frac{1}{(1 - B_w - C_{N2})} \sum_{j=1}^r C_{tm}^{(j)}$$

7. Bibliography

1. Salon, Albert E., Samuel Witz, and Robert D. MacPhee. Determination of Solvent Vapor Concentrations by Total Combustion Analysis: A Comparison of Infrared with Flame Ionization Detectors. Paper No. 75-33.2. (Presented at the 68th Annual Meeting of the Air Pollution Control Association. Boston, Massachusetts. June 15-20, 1975.) p. 14.

2. Salon, Albert E., William L. Oaks, and Robert D. MacPhee. Measuring the Organic Carbon Content of Source Emissions for Air Pollution Control. Paper No. 74-190. (Presented at the 67th Annual Meeting of the Air Pollution Control Association. Denver, Colorado. June 9-13, 1974.) p. 25.

[FR Doc. 96-5529 Filed 3-11-96; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL MARITIME COMMISSION

46 CFR Part 501

The Federal Maritime Commission—General

AGENCY: Federal Maritime Commission.

ACTION: Final rule.

SUMMARY: The Federal Maritime Commission is revising its statement of delegations of authorities to include new authority delegated to the Director of the Bureau of Economics and Agreement Analysis to grant or deny applications for waivers of certain regulations.

EFFECTIVE DATE: March 12, 1996.

FOR FURTHER INFORMATION CONTACT: Austin L. Schmitt, Director, Bureau of Economics and Agreement Analysis, Federal Maritime Commission, 800 North Capitol Street, NW., Washington, DC 20573-0001, (202) 523-5787.

SUPPLEMENTARY INFORMATION: In Docket No. 94-31, *Information Form and Post-Effective Reporting Requirements for Agreements Among Ocean Common Carriers Subject to the Shipping Act of 1984*, the Federal Maritime Commission ("Commission") has amended its regulations set forth in 46 CFR Part 572 governing the filing, processing and review of agreements among ocean common carriers subject to the Shipping Act of 1984. The amended regulations provide that, upon a showing of good cause, the Commission may waive any part of their requirements, and set forth procedures and standards governing applications for a waiver.

This rule amends the Commission's statement of delegations of authorities in 46 CFR Part 501 to include a new delegation to the Director of the Commission's Bureau of Economics and Agreement Analysis to grant or deny applications for waivers of the agreement regulations. Review of the Director's grant or denial of a waiver is available under the procedures already in effect pursuant to 46 CFR 501.21(f).

Notice and opportunity for public comment were not necessary prior to issuance of this rule and because it deals solely with matters of agency organization and procedure. 5 U.S.C. 553.

List of Subjects in 46 CFR Part 501

Administrative practice and procedure; authority delegations; organization and functions; seals and insignia.

Therefore, pursuant to 5 U.S.C. 551-557, 701-706, 2903 and 6304; 31 U.S.C. 3721; 41 U.S.C. 414 and 418; 44 U.S.C. 501-520 and 3501-3520; 46 U.S.C. app. 801-848, 876, 1111 and 1701-1720; Reorganization Plan No. 7 of 1961, 26 FR 7315, August 12, 1961; Pub. L. 89-56, 79 Stat. 195; and 5 CFR Part 2638, Part 501 of Title 46, Code of Federal Regulations, is amended to read as follows:

PART 501—THE FEDERAL MARITIME COMMISSION—GENERAL

1. The authority citation for Part 501 continues to read as follows:

Authority: 5 U.S.C. 551-557, 701-706, 2903 and 6304; 31 U.S.C. 3721; 41 U.S.C. 414 and 418; 44 U.S.C. 501-520 and 3501-3520; 46 U.S.C. app. 801-848, 876, 1111 and 1701-1720; Reorganization Plan No. 7 of 1961, 26 FR 7315, August 12, 1961; Pub. L. 89-56, 79 Stat. 195; 5 CFR Part 2638.

2. In section 501.26, paragraph (f) is amended by changing the reference to "572.404" to "572.406," and by changing the references to "572.501 and 572.502" to "572.404 and 572.405;" paragraphs (g) through (m) are redesignated (i) through (o); newly redesignated (i) (6) is removed; and new paragraphs (g) and (h) are added, as follows:

§ 501.26 Delegation to the Director, Bureau of Economics and Agreement Analysis.

* * * * *

(g) Authority to grant or deny applications filed under § 572.505 of this chapter for waiver of the information form requirements of §§ 572.503 and 572.504 of this chapter.

By the Commission.

(h) Authority to grant or deny applications filed under § 572.709 of

this chapter for waiver of the reporting and record retention requirements of §§ 572.701, 572.702, 572.703, 572.704, 572.705, 572.706, 572.707 and 572.708 of this chapter.

* * * * *

By the Commission.

Ronald D. Murphy,

Assistant Secretary.

[FR Doc. 96-5807 Filed 3-11-96; 8:45 am]

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 25

[CC Docket No. 92-166; FCC 96-54]

Mobile Satellite Service in the 1610-1626.5/2483.5-2500 MHz Frequency Band

AGENCY: Federal Communications Commission.

ACTION: Final rule; petition for reconsideration.

SUMMARY: The Commission has adopted, upon reconsideration, changes to the rules and policies establishing service and licensing rules for the Mobile Satellite Service in the 1610-1626.5/2483.5-2500 MHz Frequency Band. Specifically, we conclude that the "interim plan," designed to avoid interference between the Big LEO systems and the Russian Global Navigation Satellite System ("GLONASS"), is unnecessary at this time. We also clarify our views concerning position determination capabilities in Big LEO earth terminals, and modifications to feeder link proposals. In order to ensure that United States licensees do not engage in practices that are contrary to the goal of competitive markets world-wide, we also adopt a rule concerning exclusive arrangements for provision of Big LEO service. We also clarify our "two-tiered" processing scheme for financial qualifications. In addition, we make a number of minor editorial and clarifying changes to our technical rules.

EFFECTIVE DATE: April 11, 1996.

FOR FURTHER INFORMATION CONTACT: Karl Kensinger, International Bureau, Satellite and Radiocommunication Division, Satellite Policy Branch, (202) 418-0773.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's *Memorandum Opinion and Order* in CC Docket No. 92-166; FCC 96-54, adopted February 12, 1996 and released February 15, 1996. The complete text of this Memorandum Opinion and Order is

available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, N.W., Washington, D.C., and also may be purchased from the Commission's copy contractor, International Transcription Service, (202) 857-3800, 2100 M Street, N.W., Suite 140, Washington, DC 20037.

Summary of Memorandum Opinion and Order

1. The Commission continues the development of a regulatory structure conducive to the rapid and successful deployment of the global mobile satellite service systems known as "Big LEOs," or low earth orbit Mobile Satellite Service systems in the 1.6/2.4 GHz frequency bands. These systems have a wide range of potentially revolutionary applications, including: (1) providing a comparatively low-cost means of connecting to the world-wide public telephone network, particularly in areas too remote or underpopulated to receive service through wires; (2) allowing global "roaming" by users of mobile phones, including hand-held phones; (3) providing "fill-in" service for areas not reached by terrestrial "wireless" services such as cellular telephones; and (4) providing for global competition in telephone and data services, both satellite and terrestrially based. In *Amendment of the Commission's Rules to Establish Rules and Policies Pertaining to a Mobile Satellite Service in the 1610-1626.5/2483.5-2500 MHz Frequency Band*, 59 FR 53294 (October 21, 1994), 9 FCC Rcd 5936 (1994) ("Big LEO Report"), the Commission adopted rules and policies for the Big LEO service. This order addresses requests for reconsideration of that decision, and makes minor changes and clarifications to the rules and policies adopted.

2. The particular changes adopted here address concerns raised by the Big LEO licensees and applicants. We decline to adopt a number of other changes proposed by the applicants and licensees. We leave intact the protections to radio astronomy—protections developed in negotiations between Big LEO and radio astronomy interests. We decline at this time to adopt certain technical rules concerning interference between the competing Big LEO systems in order not to preempt prematurely private negotiations. We also decline to modify our construction milestone requirements or system replacement procedures.

3. Accordingly, it is ordered, that the "Petition for Reconsideration" filed by AMSC Subsidiary Corp. on November 21, 1994, the "Petition for

Reconsideration," filed by Constellation Communications, Inc. on November 21, 1994, the "Petition for Clarification and Partial Reconsideration," filed by Loral/Qualcomm Partnership, L.P., on November 21, 1994, the "Petition for Clarification and Partial Reconsideration," filed by Motorola Satellite Communications, Inc., on November 21, 1994, and the "Petition for Partial Reconsideration and Clarification," filed by TRW Inc. on November 21, 1994, are granted to the extent indicated in this *Memorandum Opinion and Order*, and are otherwise denied.

4. It is further ordered that the Rule Changes set forth below shall be effective April 11, 1996.

List of Subjects in 47 CFR Part 25

Satellites.

Federal Communications Commission.
William F. Caton,
Acting Secretary.

Rule Changes

Part 25 of Title 47 of the Code of Federal Regulations is amended as follows:

PART 25—SATELLITE COMMUNICATIONS

1. The authority citation for Part 25 continues to read as follows:

Authority: Sections. 101-404, 76 Stat. 419-427; 47 U.S.C. 701-744, Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interprets or applies sec. 303, 48 Stat. 1082, as amended; 47 U.S.C. 303.

§ 25.114 [Amended]

2. Section 25.114 is amended by removing paragraph (c)(6)(iii).

3. Section 25.136(b) is revised to read as follows:

§ 25.136 Operating provisions for earth station networks in the 1.6/2.4 GHz mobile-satellite service.

* * * * *

(b) User transceiver units in this service are authorized to communicate with and through U.S. authorized space stations only. No person shall transmit to a space station unless the user transceiver is first authorized by the space station licensee or by a service vendor authorized by that licensee, and the specific transmission is conducted in accordance with the operating protocol specified by the system operator.

* * * * *

4. Section 25.143 is amended by adding a new paragraph (h) to read as follows:

§ 25.143 Licensing provisions for the 1.6/2.4 GHz Mobile-Satellite Service.

* * * * *

(h) *Prohibition of certain agreements.*
No license shall be granted to any applicant for a space station in the mobile satellite service operating at 1610-1626.5/2483.5-2500 MHz if that applicant, or any persons or companies controlling or controlled by the applicant, shall acquire or enjoy any right, for the purpose of handling traffic to or from the United States, its territories or possession, to construct or operate space segment or earth stations, or to interchange traffic, which is denied to any other United States company by reason of any concession, contract, understanding, or working arrangement to which the Licensee or any persons or companies controlling or controlled by the Licensee are parties.

5. Section 25.203 is amended by revising paragraphs (j) and (k) to read as follows:

§ 25.203 Choice of sites and frequencies.

* * * * *

(j) Applicants for non-geostationary 1.6/2.4 GHz Mobile-Satellite Service/Radiodetermination satellite service feeder links in the bands 17.7-20.2 GHz and 27.5-30.0 GHz shall indicate the frequencies and spacecraft antenna gain contours towards each feeder-link earth station location and will coordinate with licensees of other fixed-satellite service and terrestrial-service systems sharing the band to determine geographic protection areas around each non-geostationary mobile-satellite service/radiodetermination satellite service feeder-link earth station.

(k) An applicant for an earth station that will operate with a geostationary satellite or non-geostationary satellite in a shared frequency band in which the non-geostationary system is (or is proposed to be) licensed for feeder links, shall demonstrate in its applications that its proposed earth station will not cause unacceptable interference to any other satellite network that is authorized to operate in the same frequency band, or certify that the operations of its earth station shall conform to established coordination agreements between the operator(s) of the space station(s) with which the earth station is to communicate and the operator(s) of any other space station licensed to use the band.

§ 25.213 [Amended]

6. Section 25.213 is amended by removing paragraphs (c) and (d).

[FR Doc. 96-5765 Filed 3-11-96; 8:45 am]

BILLING CODE 6712-01-P

47 CFR Part 25**[IB Docket No. 95-41; FCC 96-14]****Satellite Licensing****AGENCY:** Federal Communications Commission.**ACTION:** Final rule.

SUMMARY: The Commission is hereby adopting rules that eliminate the regulatory distinctions between U.S.-licensed domestic satellites and separate international satellite systems, resulting in uniform treatment of all U.S.-licensed geostationary fixed-satellites. Our action is in response to comments received in response to our Notice of Proposed Rulemaking in this proceeding. Permitting U.S. operators to provide the widest range of service offerings technically feasible will allow them to use their satellites more efficiently and to provide innovative and customer-tailored services.

EFFECTIVE DATE: April 11, 1996.

FOR FURTHER INFORMATION CONTACT: John M. Coles, Attorney, Satellite Policy Branch, International Bureau (202) 418-0771.

SUPPLEMENTARY INFORMATION: 1. This is a synopsis of the Commission's Report and Order in IB Docket No. 95-41; FCC 96-14, adopted January 19, 1996 and released January 22, 1996. The complete text of this Memorandum Opinion and Order is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, N.W., Washington, D.C., and also may be purchased from the Commission's copy contractor, International Transcription Service, (202) 857-3800, 2100 M Street, N.W., Suite 140, Washington, DC 20037.

I. Introduction

2. With this *Report and Order*, we adopt a policy that permits all U.S.-licensed fixed satellite service ("FSS") systems, mobile satellite service ("MSS") systems, and direct-broadcast satellite service ("DBS") systems to offer both domestic and international services. This will remove outdated regulatory barriers to greater competition in satellite communications services.

3. We initiated this proceeding in April 1995 when we issued a *Notice of Proposed Rulemaking* ("Notice") to amend the regulatory policies governing the provision of fixed satellite services over domestic satellites and separate international satellite systems.¹ We

recognized that U.S.-licensed satellites providing international services have been regulated under two different policies: (1) The Transborder Policy, which permits U.S. domestic fixed satellites ("domsats") to provide limited international services within the footprint of those satellites; and (2) the Separate Systems Policy, which permits U.S. "separate systems" to provide a much wider range of international services, but restricts their provision of domestic services.

4. After examining these policies in light of the trend towards a globalized economy, we concluded that changes were needed to satisfy the growing needs of customers for both domestic and international communications services. Consequently, we proposed to provide satellite operators and earth station operators with greater flexibility to serve different geographic markets while minimizing the regulatory delay associated with the satellite licensing process. Specifically, we proposed to eliminate the Transborder Policy in its entirety and regulate all U.S.-licensed fixed satellites under a modified version of the Separate Systems Policy. This would eliminate the distinction between U.S. domsats and separate systems and allow both space- and earth-segment operators to provide both domestic and international services. We proposed to apply a uniform financial showing to all U.S.-licensed satellites and provide all U.S.-licensed FSS operators a choice between common carrier and non-common carrier operators. We also asked whether we should extend this treatment to other services such as MSS and DBS, and whether, and under what conditions, we should permit non-U.S. satellite service providers, including those using Intelsat and Inmarsat, to serve the U.S. domestic market.

5. In response to the *Notice*, we received thirty-eight initial comments and sixteen reply comments from entities representing every sector of the communications industry. The comments overwhelmingly support the main thrust of our proposals. A small number of comments suggest a phased or "transition" approach to implementation of our proposal to ensure a competitive environment. Others suggest that our proposal does not go far enough in eliminating regulatory hurdles in connection with earth station licensing and they suggest alternatives.

6. By this *Report and Order*, we adopt the proposals set forth in the *Notice* for

FSS, MSS and DBS satellites. We also conclude that these policies should be implemented without delay. We will address issues relating to the provision of domestic service by non-U.S. satellites in a forthcoming *Notice*. In that *Notice*, we will also address issues related to the receipt in the United States of signals originating in foreign countries, whether via U.S. or non-U.S. satellites.

II. Discussion**A. Modification of U.S. Satellite Policy****1. General Policy Change**

7. The Transborder and Separate Systems policies were developed at different times and in response to different circumstances. Though the policies present different criteria for determining whether to authorize U.S.-licensed satellites to provide international service, the intent of both policies was to protect Intelsat from technical or significant economic harm pursuant to the Intelsat Agreements.

8. The Transborder Policy was developed in 1981, in response to requests from domsat operators to provide international public telecommunications services within the coverage areas of their satellites. Under this policy, we permit domsats to provide certain international public telecommunications services where: (1) Intelsat does not provide the service; or (2) it is clearly uneconomical or impractical to use Intelsat facilities for the service. These criteria required that international service would be primarily incidental to the domestic service (*i.e.*, involve extensions of existing domestic networks). The only exceptions to this policy involve services between the U.S. and Canada and the U.S. and Mexico. We permit more extensive two-way services between the U.S. and Canada and Mexico because Intelsat has not traditionally provided these services.

9. The Separate Systems Policy was adopted in 1985 and permitted the establishment of U.S. international satellite systems separate from Intelsat. To protect Intelsat's core revenue base of switched services, separate satellite systems were initially restricted to providing services through the sale or long-term lease of capacity for communications not interconnected with public switched networks (except for emergency restoration service). Before public switched service could be implemented, each system was required to gain approval from the foreign communications authority in each country to be served and to complete consultation procedures (in accordance with Article XIV(d) of the Intelsat

¹ Amendment to the Commission's Regulatory Policies Governing Domestic Fixed Satellites and

Separate International Satellite Systems, *Notice of Proposed Rulemaking*, IB Docket No. 95-41, ("Notice"), 60 FR 24817 (May 10, 1995).

Agreement) to ensure technical compatibility and to avoid significant economic harm to Intelsat. Because the orbital locations requested by separate satellite system applicants were deemed a limited resource for the provision of international services, separate system operators were restricted to providing domestic services on an "ancillary" basis. Thus, separate satellite system licensees could use their systems only for domestic communications reasonably related to their use of the facilities for international communications.

10. In the *Notice*, we recognized that with the trend towards a globalized economy, users whose communications requirements were once wholly domestic now need international space segment capacity to satisfy private-line and other two-way service requirements. We concluded that current domsat operators might not be able to meet these needs under the Transborder Policy. Similarly, we recognized that separate system customers might be unable to meet the needs of their customers for domestic service because of the "ancillary" service restriction in our Separate Systems Policy. Thus, we concluded that the public interest would be best served by modifying our policy to reflect the global nature of the communications needs by eliminating the distinction between domsats and separate systems and permitting U.S.-licensed fixed-satellite systems to provide both domestic and international service under a modified Separate Systems Policy.

11. All of the commenters support our proposal to eliminate the Transborder Policy and to treat all U.S.-licensed FSS satellites under a single regulatory regime. The commenters also support eliminating the "ancillary" restriction on separate system operators. The commenters agree that the proposed changes will promote competition in both the domestic and international satellite services markets and will provide additional, much-needed C-band capacity in the domestic market. They also cite a need for flexibility to provide either domestic or international service, or both, as their own business judgments may necessitate, without the need to seek additional Commission authorization. Separate system licensees favor eliminating the distinction between domestic and international satellites as a means of creating additional competition in the U.S. domestic market.

12. Although they support the central thrust of our policy, two satellite operators—one domestic and one

international—oppose eliminating the Transborder Policy at the same time the "ancillary" service restriction is removed from our separate system policy. According to GE, separate satellite systems have advantages in "landing rights"² and relationships with foreign authorities. Conversely, PanAmSat believes a "transition" period is needed during which domsat licensees who wish to use part or all of their satellite capacity for international services should apply to the Commission for explicit authorization. Without the "transition" period, PanAmSat argues that domestic licensees will quickly offer north-south international satellite services from their present orbital locations while separate system licensees could not offer effective domestic satellite service from their present orbital locations.

13. We do not believe the public interest would be served by delaying the benefits of our policy modifications out of concern for perceived advantages accruing to either domsats or separate satellites systems. Neither PanAmSat nor GE has persuasively shown that either domsats or separate systems will have an advantage in a competitive market. Given the manner in which their respective industries have been established, domsats and separate system operators can each identify certain advantages in the short term, and we recognized in the *Notice* that full competition between domsats and international systems in the near term would be constrained by their current antenna beam patterns. We anticipated, however, that operators would design next-generation systems to provide optimal coverage to those areas they wish to serve.

2. Effect on Domestic Satellite Capacity

14. Some commenters who generally support our proposal are concerned that current domsats may divert satellite capacity from the U.S. to foreign countries, resulting in insufficient domestic satellite capacity. To avoid this, Capital Cities/ABC, Inc., CBS, Inc., National Broadcasting Company, Inc., and Turner Broadcasting System, Inc. (the "Networks") believe the Commission should clarify that

² "Landing rights" involve one country granting permission for another country's satellite to provide service or "land" in its country. Landing rights may also involve completion of the Intelsat Article XIV(d) consultation process. Under Article XIV(d) of the Intelsat Agreement, a Party or Signatory that desires to use non-Intelsat space segment (*i.e.*, a "separate system") for the provision of public international telecommunications service must consult with Intelsat to determine if the use of non-Intelsat space segment will cause either technical or significant economic harm.

international services provided by U.S.-licensed fixed satellites must either originate or terminate in the U.S. HBO believes that we should require U.S.-licensed satellite operators using traditional domestic orbital locations to provide domestic service in lieu of international service when a shortage of domestic capacity occurs. In their reply comments, AT&T and Hughes oppose any requirement to serve the U.S. domestic market. AT&T believes that market forces will provide sufficient incentive for U.S. licensees to meet domestic needs. Hughes asserts that applicants in the current domsat processing round have proposed more than enough domsat capacity to meet domestic needs.

15. We believe that satellite operators should be permitted to use their facilities in the manner they deem most efficient, based on market forces, with no specific service requirements. This policy will actually increase the potential domestic capacity, since current separate systems will be able to supplement existing domsat capacity.

16. The Networks' suggestion that international service provided over U.S.-licensed fixed satellites must either originate or terminate in the U.S. is contrary to precedent regarding the use of domsats and separate systems. We have permitted both domestic and international U.S.-licensed satellite capacity to be used for service to locations that do not involve U.S. service.³

B. Changes to Other Space Station Rules

1. Financial Qualifications

17. In our *Notice*, we noted that domsat and separate systems are now subject to different financial qualification standards. The domsat standard requires evidence of full financing before a license is awarded. Although separate satellite system operators must ultimately demonstrate the same level of financial commitment, they are permitted to make their financial showing in two stages because of the unique circumstances applicable to separate systems. Separate satellite system operators providing public switched services must first obtain an agreement from a foreign country to operate with their systems and then complete the Intelsat Article XIV(d) consultation process. Thus, it may be difficult for a separate system applicant

³ See *The Western Union Telegraph Company*, File No. 823-DSS-ML-86, FCC 86-376 (released August 26, 1986) (transponders used for video services wholly outside of the U.S.). See also *Pan American Satellite*, 2 F.C.C.Rcd. 7011 (1987) (PanAmSat's use of four transponder to provide domestic service within Peru).

to get full financing before it knows whether and on what terms it will be able to provide service. Consequently, we issue separate system applicants a conditional grant upon, essentially, the submission of a detailed business plan. Once they complete the Intelsat consultation process, separate systems operators may apply for final authorization. At that time they must submit a showing of full financing.

18. Because our policy modifications would allow separate satellite systems to provide both domestic and international service, we proposed to eliminate the two-stage financial qualification showing applicable to separate system operators. We reasoned that all applicants should be able to obtain financial commitments based on the justified expectation of revenues from the provision of domestic service.

19. AT&T and Hughes urge us to apply the same financial qualification test to all competitors to guard against warehousing of scarce orbital spectrum. Separate satellite system operators oppose eliminating the two-stage financial showing, citing the limited amount of domestic service that can be provided from the orbital locations they occupy and uncertainties in the consultation process. Because of their orbital locations, they argue that they will still have to rely on international revenues and, therefore, will not be able to obtain financial commitments from lenders based on the expectation of revenues from domestic service.

20. In the traditional domsat arc, we have historically received more system applications than we can accommodate in orbit. The one-step financial showing therefore prevents those entities without the requisite financial resources from tying up scarce orbital resources and precluding qualified applicants from building their proposed systems. In eliminating the distinction between domestic and separate systems satellites, we anticipate increased demand for a wider range of orbit locations. This is because satellites operating from orbit locations over the ocean regions can still see large portions of the United States. Consequently, we believe general application of the one-step financial showing is needed to prevent warehousing and to allow the maximum number of qualified applicants to go forward.

21. Nevertheless, we cannot ignore the possibility that some separate satellite system operators will be limited in their domestic coverage due to more easterly or westerly orbital locations. Significantly, we generally do not receive as many competing applications for locations well outside the traditional

domestic arc. Consequently, in these circumstances, allowing an applicant some additional time in which to obtain financing should not prevent financially able applicants from implementing systems, nor delay service to the public. We will therefore permit operators who apply for orbit locations in uncongested portions of the orbital arc to request a waiver of the one-step financial showing. All such requests should include the costs of construction, launch, and first-year operation of the particular satellite. In addition, the request should include specific information regarding attempts to obtain adequate financing and an explanation as to why such financing could not be obtained. Any applicant requesting a waiver will have the burden of demonstrating that the requested waiver will not foster the misuse of scarce orbital resources, and that the public interest would therefore not be served by the application of our one-step rule.

22. All pending separate system applications filed after the release date of the *Notice* have had notice of our proposed rule change and therefore we will require them to meet our one-step financial requirement. We will permit these applicants to file amendments within 30 days of the effective date of this *Report and Order* to bring their applications into compliance with the financial standard or to seek a waiver. Separate system applications filed prior to the release date of the *Notice* will not need to meet the one-step standard. Rather, they will be subject to the two-stage separate systems financial requirement applicable at that time.

2. Regulatory Classification

23. Under our current policy, domsat operators are permitted to sell or lease transponders on a non-common carrier basis if we find that doing so will not unduly reduce the number of transponders available on a common carrier basis. In determining whether a particular request should be granted, we have relied upon the analysis set forth in *NARUC I*.⁴ Specifically, we may regulate an entity as a private carrier under *NARUC I* unless: (1) There is or should be any legal compulsion to serve the public indifferently; or (2) there are reasons implicit in the nature of the service to expect that the entity will in fact hold itself out indifferently to the eligible user public. This analysis was inapplicable to separate satellite systems since they were established for

the provision of non-common carrier services.

24. We tentatively concluded in our *Notice* that there is no longer a need to require domsat licensees to provide capacity on a common carrier basis. With respect to the first prong of *NARUC I*, we concluded that sufficient competitive capacity is and will continue to be available to assure the U.S. public ample access to fixed-satellite services. With regard to the second prong of *NARUC I*, we found little likelihood that non-common carrier domsats will hold themselves out indifferently to serve the public and that stable, long-term contractual offerings to individual customers of technically and operationally distinct portions of a satellite fall short of the indiscriminate offerings contemplated in *NARUC I*. We also noted that restrictions on separate system offerings have been eroded and no longer limit separate system operators to providing customized services. We, therefore, proposed to permit but not require U.S. space station licensees providing international service to do so on a common carrier basis, if these offerings further their business plans. Accordingly, we proposed to allow all U.S. FSS licensees and applicants to elect whether to provide service on a common carrier or non-common carrier basis.

25. Domsat and separate system operators support this proposal and note that most domestic fixed satellite services are already offered on a non-common carrier basis. In contrast, GCI and the Networks are concerned that permitting satellite operators to choose their regulatory classification might endanger the amount of capacity available for domestic service requirements. The Networks oppose changing the current obligation of satellite operators to make available a sufficient amount of capacity on a common carrier basis.

26. We adopt our proposal to permit satellite operators to elect to operate on a common carrier or non-common carrier basis. As we stated in the *Notice*, no transponder sales application has been opposed in the last decade. Further, despite the near-routine approval of these requests, several operators have chosen to continue to offer space segment capacity on a common carrier basis. This suggests that market forces are sufficient to provide enough common carrier capacity. Neither the Networks nor GCI has presented any evidence to suggest that this will not continue.

27. While applicants will need to elect their regulatory classification in

⁴ Nat'l Ass'n of Regulatory Utility Commissioners v. F.C.C., 525 F.2d 630 (D.C. Cir.), cert. denied, 425 U.S. 992 (1976).

their applications, this election will not be of decisional significance. Rather, the election will be for informational purposes only to enable us to apply Title II regulations to common carriers. Similarly, licensees wishing to change their regulatory classification should notify us in writing of such change, including the date on which they intend to do so. No prior approval from the Commission will be necessary. Commission staff will include the notification of a change in status as an informational listing in the Satellite and Radiocommunication Division's weekly Public Notice of actions taken. The staff will also place a copy of the notification in the station file.

C. Changes to Earth Station Rules.

28. Under our current licensing scheme, earth stations are classified as either domestic or international depending on the satellites that will be accessed. Domestic earth stations are typically licensed to communicate with all domestic satellites in the "domestic" portion of the arc, referred to for licensing purposes as "ALSAT." International earth stations are licensed to communicate with specific U.S.-licensed separate systems and non-U.S. international satellites. Under this licensing scheme, domestic earth station licenses have to be modified to communicate with any satellites not included in the "ALSAT" designation and international earth station licenses have to be modified to communicate with any satellite not designated on the license.

29. In light of our proposal to eliminate the distinction between domestic and separate system satellites, we tentatively concluded in our *Notice* that there is no reason to retain any distinction between domestic and international earth stations using U.S.-licensed space segment. Accordingly, we proposed to retain the "ALSAT" designation, but broaden its meaning to include all U.S.-licensed satellites providing fixed-satellite service. We noted that expanding the "ALSAT" designation will reduce the number of license modification applications, while allowing operators to provide service immediately consistent with Intelsat Article XIV(d) consultations. We recognized, however, that our proposal could require additional coordination between earth stations operating in the C-band and terrestrial C-band facilities.

30. All of the comments support this proposal. The commenters agree that the proposed modifications will avoid the need for earth station license modification requests, result in substantial savings, lessen the burden

on the Commission while allowing more rapid service to customers, and enhance competition by allowing FSS earth station operators a broader choice of satellites with which to communicate.

31. The comments also favor a simplified procedure for modifying existing earth station licenses to incorporate domestic and international transmissions to all U.S.-licensed satellites. Where no frequency coordination issues are presented, the comments suggest that the modification be automatic. If frequency coordination is required, Group W suggests that we permit access to a new satellite immediately upon certification or notification to the FCC that appropriate frequency coordination procedures have been completed. GCI believes that licensees operating earth stations in the C-band should be allowed to submit the additional frequency coordination studies and that such filings should not be placed on public notice. HBO proposes that the modification be made self-executing if no opposition is filed within 30 days after public notice of the filing of the appropriate coordination data.

32. We adopt our proposal to expand the ALSAT designation. We further agree that the proposal should be implemented with no unnecessary regulatory burden. We recognize, however, that earth station operators in the C-band that wish to communicate with an expanded number of satellites may need to complete additional frequency coordination with respect to terrestrial operators sharing the band. Consequently, we automatically modify all earth station licenses to allow the facilities to access all U.S.-licensed satellites, provided that the operator submits, when necessary, a frequency coordination analysis verifying that the expanded operations are fully coordinated with other primary users in the band under the Part 25 coordination requirements.

D. Other Services

33. In our *Notice*, we recognized that U.S.-licensed satellite systems providing services other than domestic fixed satellite services may be similarly constrained in the geographic reach of their services. We requested comment on whether licensees of geostationary systems that provide mobile and broadcast services should be permitted to provide both domestic and international service subject to U.S. international coordination obligations. In addition, we noted that there might be specific considerations for MSS and DBS that could dictate a different domestic/international policy. We

asked, for instance, whether authorizing U.S.-licensed DBS providers to broadcast to customers in other countries would be inconsistent with the "Plan" that assigned DBS orbit locations internationally, adopted at the 1983 Regional Administrative Radio Conference (RARC-83). We also asked whether receipt in the U.S. of DBS programming transmitted from earth stations in foreign countries would be inconsistent with the provisions of International Telecommunications Union (ITU) Appendix 30A regarding feeder links for DBS. Finally, we requested comments on any other matters bearing on the issue of whether and to what extent U.S.-licensed geostationary satellite systems should be permitted to provide international broadcast and mobile services.

1. Direct Broadcast Satellite Service

a. Background

34. DBS, or Broadcast Satellite Service ("BSS") as it is referred to internationally, is a direct-to-home service that uses geostationary satellites to transmit to small earth terminals. Because of the high power at which the satellites operate, the home dishes can be as small as 12 inches in diameter. DBS orbital locations and channels have been assigned to countries in Region 2—which includes North, Central, and South America—under a Plan adopted at RARC-83. The Plan allocates 32 channels at each of eight orbital locations to the United States from which to provide domestic DBS service. The Plan also specifies the technical parameters under which DBS systems must operate. Nevertheless, the Plan may be modified to permit non-standard satellites and operations, provided that they do not cause harmful interference to satellites operating in compliance with the Plan. Procedures for modifying the Plan are set forth in Appendices 30 and 30A of the ITU Regulations. Modifications to the regional BSS Plans to change, add, or cancel channel assignments require the consent of the countries affected by such modifications.

35. The commenters generally agree that it is possible for U.S. licensees to provide DBS service to foreign countries in a manner consistent with the Region 2 Plan. They also support a policy that would permit U.S. DBS operators to provide international service, although they disagree about the timing for implementation of this policy and the conditions under which international service should be authorized.

36. While agreeing that it would be beneficial to relax geographic

constraints on U.S.-licensed satellite communications systems, HBO urges us to maintain a policy where the orbital positions best suited to provide service in the United States are used primarily to meet domestic communications needs. Accordingly, HBO suggests that we approve proposals to provide international service from such orbital positions only upon a showing that doing so would not cause a domestic shortage. It also asks that we periodically assess domestic capacity and require service adjustments when necessary.

37. Separate from this proceeding, DBSC filed a Petition for Declaratory Ruling regarding the use of "spare" transponders to provide international DBS service. DBSC holds a construction permit for two eleven-channel DBS satellites at 61.5 degrees W.L. and 175 degrees W.L. DBSC states that it plans to design each satellite with 16 transponders. In its Petition, DBSC requests authority to use the five "spare" or "extra" transponders on each satellite for international service, subject to two conditions: (1) That there would be no consequent reduction in the use of its satellites for provision of domestic DBS, and (2) that full compliance with all relevant treaty obligations be ensured. DBSC submitted an engineering study with its Petition to demonstrate that compatible use is technically feasible.

38. Local-DBS, Inc., a DBS licensee, supports DBSC's Petition because it is consistent with "the Clinton Administration's goal [of] opening the satellite marketplace to fair and effective competition." Canadian Satellite Communications, Inc. ("Cancom"), a corporation licensed by the Canadian Radio-television and Telecommunications Commission to distribute radio and television signals by satellite, opposes DBSC's petition. It contends that adoption of a general policy permitting U.S. licensees to provide international DBS service could undercut Canadian regulatory policies designed to preserve Canada's cultural identity.

b. Discussion

39. International DBS service from an orbital location assigned to the United States would require coordination with the administration in the receiving country and any other affected administration. However, we see no reason why the Commission should impose any barriers on a licensee willing to undertake the coordination processes in order to provide international DBS service from an

orbital location allocated to the United States for DBS service.

40. On the contrary, we should encourage international DBS service since it would advance the public interest in a number of ways. First, permitting international service would expand the potential audience for American programming, and could stimulate economic growth. Second, importing uplinked foreign programming would enable operators to better satisfy the needs and desires of enhanced services to multi-lingual subscribers in the U.S. Third, operators would enjoy economies of scale for both themselves and their customers if non-English language programs could simultaneously serve same-language communities in the U.S. and in foreign markets. Finally, the possibility of providing international DBS services to Pacific Rim nations could make the western-most DBS orbital locations allocated to the United States—from which no permittee appears ready to operate in the near future—more attractive platforms, which could accelerate development of those locations and thereby accelerate the delivery of DBS service to Hawaii and Alaska. None of the commenters have presented any reason why we should delay these benefits to the public.

41. We disagree with HBO that we should monitor the industry to ensure that sufficient services are being made available to the United States. We believe market forces will determine the appropriate balance between international and domestic offerings. Further, we do not agree with those commenters who argue that revising our DBS policy compromises the rights of foreign administrations. Those administrations would retain all rights they now have to license the provision of international DBS service to their countries. The Commission's refusal to impose an additional layer of regulation upon those seeking to deliver international DBS service from U.S. orbital locations in no way diminishes those rights.

42. While we believe the public interest will be served by allowing DBS licensees to provide domestic or international service from their authorized channels, we believe there are significant obstacles to DBSC or any other DBS operator providing international DBS service using "spare" channels not assigned to it. At each of the orbital locations at which DBSC is assigned eleven channels, nearly all of the remaining 21 channels assigned to the United States have been, or soon will be, assigned to other DBS permittees for domestic DBS service.

Thus, in this regard DBSC mischaracterizes these channels as "spare" channels. Instead, before it can provide international service, DBSC would have to obtain the consent of the permittees holding assignments for the channels on which it seeks to provide international service, and ensure that its international service will not cause harmful interference to other DBS permittees.

43. Therefore, we conclude that U.S. geostationary DBS satellite systems should be permitted to provide both domestic and international services from their authorized channels without additional approval from the Commission. Prior to commencing such service, licensees should ensure that (a) the technical and operational parameters of the channels have been successfully coordinated, consistent with U.S. treaty requirements; and (b) they comply with FCC service rules for DBS channels assigned for U.S. domestic use. Naturally, a foreign administration may impose other conditions before it permits a U.S. operator to do business there. The Commission cannot preempt such conditions, but neither will we give them independent enforcement under U.S. law.

2. The Mobile Satellite Service

a. Background

44. MSS provides seamless data or voice communications services to maritime land, and aeronautical mobile users anywhere. It can also serve FSS users. MSS encompasses a number of important services, including position location, search and rescue communication, disaster management communications, and messaging services. The Commission licensed the first U.S. commercial MSS system in 1989, when we granted American Mobile Satellite Corporation ("AMSC") a license to construct and launch a geostationary MSS system to serve the United States. Last year, we authorized the first low-Earth orbit ("LEO") MSS systems. Specifically, we authorized Motorola, LQSS, and TRW to construct and launch voice and data systems. We have authorized Orbcomm, VITA, and Starsys to construct and launch data-only systems. In granting these licenses, we emphasized that LEO systems, by virtue of their non-geostationary orbits, are inherently capable of providing global service. Indeed, we required the Big LEO systems to be designed to provide global coverage. In doing so, we noted the significant benefits in facilitating the creation of the global information infrastructure. We asked in

our *Notice* whether we should permit U.S. licensed geostationary MSS systems to provide both domestic and international services, as well.

45. Most commenters recommend that we defer, to a future proceeding, the issues concerning MSS. Two of these commenters—Loral/Qualcomm and Constellation—are licensees in the Big LEO Service and contend that there are characteristics unique to MSS that any change in the Commission's MSS policies should take into account. For example, they assert that AMSC's system has not been successfully coordinated internationally. In addition, they note that geostationary MSS technology generally does not permit more than one system to serve a geographic area using the same frequencies, resulting in far fewer MSS systems than FSS systems. Thus, they request that we defer any policy decision concerning geostationary systems to take into account the implications for U.S.-licensed LEO systems. In contrast, COMSAT supports eliminating geographic barriers for U.S. geostationary MSS systems provided that COMSAT is also permitted to provide domestic and international services.

b. Discussion

46. We conclude that it is in the public interest to permit U.S.-licensed geostationary MSS systems to provide both domestic and international service. As Comsat notes, customer demands for communication services are becoming increasingly global. In our Big LEO Rulemaking,⁵ we addressed the many public benefits associated with global MSS systems and required the systems in that proceeding to be capable of providing global coverage. We conclude that permitting U.S.-licensed geostationary MSS systems to provide both domestic and international services will offer similar benefits, including promoting increased competition, increased consumer choices, and further development of the global information infrastructure. The Big LEO licensees have not provided any valid reason to delay these public interest benefits. The fact that there are fewer MSS systems than FSS systems or that spectrum coordination for the AMSC system has not yet been completed has little bearing on whether we should permit AMSC or other U.S. MSS licensees to extend its service offerings internationally. We conclude that the record is sufficiently

developed to allow us to implement a policy that would permit geostationary MSS systems, as their counterpart LEO MSS systems and geostationary FSS and DBS systems, to provide international as well as domestic service. Before an MSS licensee can actually provide service in a foreign territory, it must complete its international coordination obligations and obtain any required approvals from the countries it wishes to serve.

III. Conclusion

47. In this *Report and Order*, we eliminate the outdated regulatory framework that distinguished domsats from separate systems and allow all U.S.-licensed satellites in the fixed satellite service to provide both domestic and international services. To effectuate this, we eliminate the Transborder Policy in its entirety and regulate all U.S.-licensed fixed satellites under a modified Separate Systems Policy. In doing so, we enhance the opportunity for the provision of innovative satellite service offerings without artificial regulatory barriers. In addition, we extend the benefits of this new policy to other services by permitting DBS satellites and geostationary MSS satellites to provide both domestic and international services.

IV. Ordering Clauses

48. Accordingly, it is ordered that Part 25 of the Commission's rules is amended as set forth below effective April 11, 1996.

49. It is further ordered that DBSC's petition to use transponders to provide international DBS service is granted.

50. This action is taken pursuant to Sections 4 and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 154, 303(r), and Section 201(c) of the Communications Satellite Act of 1962, 47 U.S.C. 721(c).

List of Subjects in 47 CFR Part 25

Communications common carriers, Radio, Satellites.

Federal Communications Commission.

William F. Caton,

Acting Secretary.

Final Rules

Part 25 of Title 47 of the CFR is amended as follows:

PART 25—SATELLITE COMMUNICATIONS

1. The authority citation for Part 25 continues to read as follows:

Authority: Secs. 25.101 to 25.601 issued under Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interpret or apply secs. 101–104,

76 Stat. 419–427; 47 U.S.C. 701–744; 47 U.S.C. 554.

2. Section 25.110 is amended by revising paragraph (b) to read as follows:

§ 25.110 Filing of applications, fees, and number of copies.

* * * * *

(b) Applications for satellite radio station authorizations governed by this part and requiring a fee shall be mailed or hand-delivered to the locations specified in part 1, subpart G of this chapter. All other applications shall be submitted to the Secretary, Federal Communications Commission, 1919 M Street, N.W., Washington, DC 20554.

* * * * *

3. Section 25.113 is amended by revising paragraphs (b) and (d) to read as follows:

§ 25.113 Construction permits.

* * * * *

(b) Construction permits are not required for satellite earth stations that operate with INTELSAT or INMARSAT space stations, or for earth stations that operate with U.S.-licensed space stations. Construction of such stations may commence prior to grant of a license at the applicant's own risk. Applicants must comply with the provisions of § 1.1312 of this chapter relating to environmental processing prior to commencing construction. A simultaneous application for a construction permit and station license may be made for all earth station and space station facilities governed by this part.

* * * * *

(d) In addition to the construction permit required by paragraph (a) of this section, a launch authorization must be applied for and granted before a space station may be launched and operated in orbit. Request for launch and operation authorization and station license may be included in the application for space station construction permit. A launch authorization and station license may also be requested at any time for a space station constructed as an on-ground spare satellite. However, an application for authority to launch and operate an on-ground spare satellite will be considered to be a newly filed application for cut-off purposes, except where the space station to be launched is determined to be an emergency replacement for a previously authorized space station which has been lost as a result of a launch failure or a catastrophic in-orbit failure.

* * * * *

4. Section 25.114 is amended by revising paragraph (c)(18) and removing

⁵ See In re Amendment of the Commission's Rules to Establish Rules and Policies Pertaining to a Mobile Satellite Service in the 1610–1626.5/2483.5–2500 MHz Frequency Bands, 9 F.C.C.Rcd. 4936 (1994) (the “Big LEO Order”).

and reserving paragraphs (c)(23) and (c)(24) to read as follows:

§ 25.114 Applications for space station authorizations.

* * * * *

(c) * * *

(18) Detailed information demonstrating the financial qualifications of the applicant to construct and launch the proposed satellites. Applications shall provide the financial information required by § 25.140 (b) through (e) or § 25.142(a)(4).

* * * * *

5. Section 25.115 is amended by revising paragraph (c) introductory text to read as follows:

§ 25.115 Application for earth station authorizations.

* * * * *

(c) Large Networks of Small Antennas operating in the 12/14 GHz bands with U.S. satellites for domestic services. Applications to license small antenna network systems operating in the 12/14 GHz frequency band under blanket operating authority shall include the following:

* * * * *

6. Section 25.117 is amended by revising paragraph (a) to read as follows:

§ 25.117 Modification of station license.

(a) Except as provided, no modification of a radio station governed by this part which affects the parameters or terms and conditions of the station authorization shall be made except upon application to and grant of such application by the Commission. No license modification will be required if the licensee seeks to access another U.S.-licensed fixed satellite provided:

(1) Consultations pursuant to Article XIV(d) of the INTELSAT Agreement have been completed for the satellites, services and countries involved; and

(2) The operators of the U.S.-licensed systems have received specific authorization to provide the services to the proposed locations.

* * * * *

7. Section 25.130 is amended by revising paragraph (d) to read as follows:

§ 25.130 Filing requirements for transmitting earth stations.

* * * * *

(d) Transmission of signals or programming to non-U.S. satellites, or to foreign points by means of U.S.-licensed fixed satellites, may be subject to restrictions as a result of international agreements or treaties. The Commission

will maintain public information on the status of any such agreements.

* * * * *

8. Section 25.131 is amended by revising paragraphs (b), (g) and (j) to read as follows:

§ 25.131 Filing requirements for receive-only earth stations.

* * * * *

(b) Except as provided in paragraph (j) of this section, receive-only earth stations may be registered with the Commission in order to protect them from interference from terrestrial microwave stations in bands shared co-equally with the fixed service in accordance with the procedures of § 25.203 and §§ 25.251 through 25.256.

* * * * *

(g) Reception of signals or programming from non-U.S. satellites may be subject to restrictions as a result of international agreements or treaties. The Commission will maintain public information on the status of any such agreements.

* * * * *

(j) Receive-only earth stations operating with INTELSAT space stations, or U.S.-licensed and non-U.S. space stations for reception of services from other countries, shall file an FCC Form 493 requesting a license for such station. Receive-only earth stations used to receive INTELNET I services from INTELSAT space stations need not file for licenses. See Deregulation of Receive-Only Satellite Earth Stations Operating with the INTELSAT Global Communications Satellite System, Declaratory Ruling, RM No. 4845, FCC 86-214 (released May 19, 1986).

9. Section 25.140 is amended by revising the section heading and paragraphs (a) and (b) to read as follows:

§ 25.140 Qualifications of fixed-satellite space station licensees.

(a) New fixed-satellites shall comply with the requirements established in Report and Order in CC Docket No. 81-704. The requirements for radio station applications for new fixed-satellites are specified in Appendix B to the Commission's 1983 Processing Order (93 FCC2d 1260 (1983)). Applications must also meet the requirements in paragraphs (b) through (e) of this section. The Commission may require additional or different information in the case of any individual application. Applications will be unacceptable for filing and will be returned to the applicant if they do not meet the requirements referred to in this paragraph.

(b) Each applicant for a space station authorization in the fixed-satellite

service must demonstrate, on the basis of the documentation contained in its application, that it is legally, financially, technically, and otherwise qualified to proceed expeditiously with the construction, launch and/or operation of each proposed space station facility immediately upon grant of the requested authorization. Each applicant must provide the following information:

* * * * *

10. Section 25.202 is amended by revising paragraph (c) to read as follows:

§ 25.202 Frequencies, frequency tolerance and emission limitations.

* * * * *

(c) Orbital locations assigned to space stations licensed under this part by the commission are subject to change by summary order of the Commission on 30 days notice. An authorization to construct and/or to launch a space station becomes null and void if the construction is not begun or is not completed, or if the space station is not launched and positioned at its assigned orbital location and operations commenced in accordance with the station authorization, by the respective date(s) specified in the authorization. Frequencies and orbital location assignments are subject to the policies set forth in the Report and Order, FCC 83-184, adopted April 27, 1983 in CC Docket No. 81-704 and the Report and Order, adopted July 25, 1985 in CC Docket No. 84-1299 as modified by the Report and Order, adopted January 19, 1996 in IB Docket No. 95-41.

* * * * *

11. Section 25.210 is amended by revising the introductory portions of paragraphs (e) and (j) and removing and reserving paragraph (f) to read as follows:

§ 25.210 Technical requirements for space stations in the Fixed-Satellite Service.

* * * * *

(e) For fixed-satellite space stations providing international service, full frequency re-use is defined as follows:

* * * * *

(j) All operators of space stations shall file a semi-annual report with the International Bureau and the Commission's Laurel, Maryland field office containing the following information:

* * * * *

12. Section 25.211 is amended by revising paragraph (b) to read as follows:

§ 25.211 Video Transmissions in the Domestic Fixed-Satellite Service.

* * * * *

(b) All 4/6 GHz analog video transmissions shall contain an energy

dispersal signal at all times with a minimum peak-to-peak bandwidth set at whatever value is necessary to meet the power flux density limits specified in § 25.208(a) and successfully coordinated internationally and accepted by adjacent U.S. satellite operators based on the use of state of the art space and earth station facilities. Further, all transmissions operating in frequency bands described in § 25.208(b) and (c) shall also contain an energy dispersal signal at all times with a minimum peak-to-peak bandwidth set at whatever value is necessary to meet the power flux density limits specified in § 25.208(b) and (c) and successfully coordinated internationally and accepted by adjacent U.S. satellite operators based on the use of state of the art space and earth station facilities. The transmission of an unmodulated carrier at a power level sufficient to saturate a transponder is prohibited, except by the space station licensee to determine transponder performance characteristics. All 12/14 GHz video transmissions for TV/FM shall identify the particular carrier frequencies for necessary coordination with adjacent U.S. satellite systems and affected satellite systems of other administrations.

* * * * *

13. Section 25.276 is amended by revising paragraph (c) to read as follows:

§ 25.276 Points of communication.

* * * * *

(c) Transmission to or from foreign points over space stations in the Fixed-Satellite Service, other than those operated by the International Telecommunications Satellite Organization and Inmarsat, are subject to the policies set forth in the Report and Order, adopted January 19, 1996 in IB Docket No. 95-41.

[FR Doc. 96-5822 Filed 3-11-96; 8:45 am]

BILLING CODE 6712-01-P

47 CFR Part 97

[FCC 96-74]

Conforming Amateur Service Rules to the Provisions of the Telecommunications Act of 1996

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: This action amends the amateur service rules, consistent with the statutory mandate of the 1996 Telecommunications Act, to remove certain unnecessary and outdated regulations. It removes the conflict-of-

interest provisions pertaining to the administration of amateur operator license examinations. It also eliminates the requirement that volunteer examiners (VEs) and volunteer-examiner coordinators (VECs) who administer and coordinate amateur operator examinations maintain records of out-of-pocket expenses and annually certify those expenses to the Commission. The effect of these rule amendments is to further the public interest because they eliminate unnecessary regulatory burdens.

EFFECTIVE DATE: April 11, 1996.

FOR FURTHER INFORMATION CONTACT:

Maurice J. DePont, Federal Communications Commission, Washington, D. C. 20554, (202) 418-0690.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's *Order*, adopted February 28, 1996, and released February 28, 1996. The complete text of this Commission action, including the rule amendments, is available for inspection and copying at the Federal Communications Commission, Room 246, 1919 M Street, N. W., Washington, D. C. The complete text of this *Order* may also be obtained from the Commission's copy contractor, International Transcription Services, Inc., 2100 M Street, N.W., Suite 140, Washington, D. C. 20037, telephone (202) 857-3800.

Summary of Order:

1. By this *Order*, we are revising the rules for the amateur service, consistent with the statutory mandate of the 1996 Telecommunications Act, to remove the conflict-of-interest provisions pertaining to the administration of amateur operator license examinations.

2. Also, to be consistent with the new statutory mandate, we are eliminating the requirement that volunteer examiners (VEs) and volunteer-examiner coordinators (VECs), who administer and coordinate amateur operator examinations, maintain records of out-of-pocket expenses, and, annually certify those expenses to the Commission.

3. These rule amendments are necessary in order to make our rules consistent with the requirements of the 1996 Telecommunications Act.

4. The amended rules are set forth below, effective April 11, 1996.

5. The rule amendments have been analyzed with respect to the Paperwork Reduction Act of 1990, 44 U.S.C. §§ 3501-3520, and are found to eliminate a paperwork burden imposed upon the public.

6. This *Order* and the rule amendments are issued under the

authority of Sections 4(i) and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i) and (303)(r).

List of Subjects in 47 CFR Part 97

Examinations, Radio, Volunteers.

Federal Communications Commission.

William F. Caton,

Acting Secretary.

Final Rules

Part 97 of Chapter I of Title 47 of the Code of Federal Regulations is amended as follows:

PART 97—AMATEUR RADIO SERVICE

1. The authority citation for Part 97 continues to read as follows:

Authority: 48 Stat. 1066, 1082, as amended; 47 U.S.C. 154, 303. Interpret or apply 48 Stat. 1064-1068, 1081-1105, as amended; 47 U.S.C. 151-155, 301-609, unless otherwise noted.

§ 97.509 [Amended]

2. Section 97.509 is amended by removing paragraph (b)(5).

§ 97.521 [Amended]

3. Section 97.521 is amended by removing paragraph (e).

§ 97.527 [Amended]

4. Section 97.527 is amended by removing paragraphs (c), (d), (e), and (f).

[FR Doc. 96-5764 Filed 3-11-96; 8:45 am]

BILLING CODE 6712-01-P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 571

[Docket No. 96-18, Notice 01]

RIN 2127-AG32

Federal Motor Vehicle Safety Standards; Brake Hoses

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.

ACTION: Final rule; technical amendment.

SUMMARY: This document updates several addresses and dates in Standard No. 106, "Brake Hoses." These amendments reflect the new name of the office to which a person should write when filing a designation that it is a manufacturer of a brake hose or brake hose assembly.

EFFECTIVE DATE: This rule is effective April 11, 1996.

FOR FURTHER INFORMATION CONTACT: Mr. Marvin L. Shaw, Office of Chief Counsel, NCC-20, the National Highway Traffic Safety Administration, 400 Seventh St., S.W., Washington, D.C., 20590. (202) 366-2992.

SUPPLEMENTARY INFORMATION: Pursuant to the President's March 4, 1995 directive, "Regulatory Reinvention Initiative," to the heads of departments and agencies, NHTSA undertook a review of all its regulations and directives. During the course of this review, the agency identified several requirements and regulations that are potential candidates for revision. In reviewing Standard No. 106, *Brake Hoses*, the agency identified several references to addresses and to dates that are obsolete. Today's amendments reflect the new name of the office to which a person should write when filing a designation that it is a manufacturer of a brake hose or brake hose assembly. This document also transfers provisions inappropriately located following the definition of rupture to the definition of brake hose.

NHTSA finds good cause to make this amendment effective 30 days after publication of this document. This amendment makes minor changes to Standard No. 106 that clarify the standard without affecting its requirements.

NHTSA also finds for good cause that notice and an opportunity for comment on this document are unnecessary. This document does not impose any additional responsibilities on any manufacturer. Instead, this document simply updates outdated provisions of the standard.

Rulemaking Analyses and Notices

Executive Order 12866 and DOT Regulatory Policies and Procedures:

This rulemaking document was not reviewed under E.O. 12866, "Regulatory

Planning and Review." Further, this action has been determined to be not "significant" under the Department of Transportation's regulatory policies and procedures. This rule updates outdated portions of Standard No. 106 without changing any of the requirements in the standard. Because this rule does not affect any substantive requirement of the brake hose standard, its impacts are so minimal as not to warrant preparation of a full regulatory evaluation.

Regulatory Flexibility Act

NHTSA has also considered the impacts of this rule under the Regulatory Flexibility Act. I hereby certify that this rule will not have a significant economic impact on a substantial number of small entities. As noted above, this rule simply updates outdated sections of Standard No. 106. It has no effect on the manufacture or sale of vehicles or motor vehicle equipment.

National Environmental Policy Act

NHTSA has also analyzed this rule under the National Environmental Policy Act and determined that it will not have a significant impact on the human environment.

Executive Order 12612 (Federalism)

NHTSA has analyzed this rule in accordance with the principles and criteria contained in E.O. 12612, and has determined that this rule will not have significant federalism implications to warrant the preparation of a Federalism Assessment.

Civil Justice Reform

This rule will not have any retroactive effect. Under 49 U.S.C. 30103, whenever a Federal motor vehicle safety standard is in effect, a State may not adopt or maintain a safety standard applicable to the same aspect of performance which

is not identical to the Federal standard, except to the extent that the state requirement imposes a higher level of performance and applies only to vehicles procured for the State's use. 49 U.S.C. 30161 sets forth a procedure for judicial review of final rules establishing, amending or revoking Federal motor vehicle safety standards. That section does not require submission of a petition for reconsideration or other administrative proceedings before parties may file suit in court.

List of Subjects in 49 CFR Part 571

Imports, Motor vehicle safety, Motor vehicles, Reporting and recordkeeping requirements.

In consideration of the foregoing, part 571 of title 49 of the Code of Federal Regulations are amended as follows:

PART 571—[AMENDED]

1. The authority citation for part 571 continues to read as follows:

Authority: 49 U.S.C. 322, 30111, 30115, 30117, and 30166; delegation of authority at 49 CFR 1.50.

§ 571.106 [Amended]

2. Section 571.106 is amended in § 4 by designating the undesignated text following the definition of "Rupture" as the second and third sentences in the definition of "Brake hose."

3. Section 571.106 is further amended in the list below for each paragraph indicated in the left column, remove the words indicated in the middle column from wherever they appear in the paragraph, and add the words indicated in the right column.

Paragraph	Remove	Add
S5.2.2(b)	Office of Crash Avoidance, Handling and Stability Division.	Office of Crash Avoidance Standards, Vehicle Dynamics Division.
S5.2.2(c)	For example, 10/1/74 means October 1, 1974	For example, 10/1/96 means October 1, 1996.
S5.2.4(b)	Office of Vehicle Safety Standards, Crash Avoidance Division.	Office of Crash Avoidance Standards, Vehicle Dynamics Division.
S7.2.1(b)	Office of Vehicle Safety Standards, Crash Avoidance Division.	Office of Crash Avoidance Standards, Vehicle Dynamics Division.
S7.2.1(c)	For example, 10/1/74 means October 1, 1974	For example, 10/1/96 means October 1, 1996.
S7.2.2(b)	Office of Vehicle Safety Standards, Crash Avoidance Division.	Office of Crash Avoidance Standards, Vehicle Dynamics Division.
S7.2.3(b)	Office of Vehicle Safety Standards, Crash Avoidance Division.	Office of Crash Avoidance Standards, Vehicle Dynamics Division.
S9.1.1(b)	Office of Vehicle Safety Standards, Crash Avoidance Division.	Office of Crash Avoidance Standards, Vehicle Dynamics Division.
S9.1.1(c)	For example, 10/1/74 means October 1, 1974	For example, 10/1/96 means October 1, 1996
S9.1.2(b)	Office of Vehicle Safety Standards, Crash Avoidance Division.	Office of Crash Avoidance Standards, Vehicle Dynamics Division.

Paragraph	Remove	Add
S9.1.3(b)	Office of Vehicle Safety Standards, Crash Avoidance Division.	Office of Crash Avoidance Standards, Vehicle Dynamics Division.

Issued on: February 29, 1996.

Barry Felrice,

Associate Administrator for Safety Performance Standards.

[FR Doc. 96-5126 Filed 3-11-96; 8:45 am]

BILLING CODE 4910-59-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Parts 611, 672, and 676

[Docket No. 960129018-6018-01; I.D. 110295B]

Groundfish of the Gulf of Alaska; Limited Access; Foreign Fishing; Final 1996 Harvest Specifications; Correction

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Final 1996 harvest specifications of groundfish and associated management measures; correction.

SUMMARY: This document contains corrections to the Final 1996 Harvest Specifications for Groundfish of the Gulf of Alaska (GOA) (I.D. 110295B), which was published in the Federal Register on Monday, February 5, 1996

(61 FR 4304). Portions of the information contained in Table 1 of the specifications for the pollock, Atka mackerel, and shortraker/rougheye species are misleading, inadvertently omitted, or misspelled.

EFFECTIVE DATE: 1200 hours, Alaska local time (A.l.t.), January 30, 1996, through 2400 hours, A.l.t., December 31, 1996, or until changed by subsequent notification in the Federal Register.

FOR FURTHER INFORMATION CONTACT: Kaja Brix, NMFS, (907) 586-7228.

SUPPLEMENTARY INFORMATION: Under § 672.20(c)(1)(ii)(B), NMFS published final 1996 harvest specifications of groundfish on February 5, 1996 (61 FR 4304). For each species identified in Table 1, column 1, of the final specifications, the following information is provided for the 1996 fishing year: (1) Regulatory area and/or district as defined at § 672.2, (2) acceptable biological catch levels, (3) total allowable catch (TAC) amounts, and (4) overfishing levels.

In the GOA, pollock is apportioned by area, season, and inshore/offshore components. Regulations at § 672.20(a)(2)(iv) require that the TAC for pollock in the combined Western/Central (W/C) GOA be apportioned among Statistical Areas Shumagin (61), Chirikof (62), and Kodiak (63) in proportion to known distributions of the pollock biomass. For the pollock

species, Table 1 currently indicates that the overfishing level of 82,000 metric tons (mt) applies only to the Chirikof area. However, the overfishing level of 82,000 mt for the pollock species applies to the combined W/C area rather than to only the Chirikof area.

Information contained in Table 1 related to the pollock species is revised to make clear that the overfishing level of 82,000 mt applies to the W/C GOA.

Need for Correction

The TAC for the Atka mackerel species is divided among the Western, Central, and Eastern regulatory areas. However, the designation for the Western regulatory area for Atka mackerel contained in Table 1, column two, of the specifications was inadvertently omitted. This document corrects that error.

In Table 1, column 1, the species "shortraker/rougheye" is misspelled. This document corrects the misspelling.

Correction of Publication

Accordingly, the publication on February 5, 1996 (61 FR 4304), which was the subject of FR doc. 96-2292, is corrected as follows:

On page 4305, Table 1, under the subheading "Species", the information related to "pollock" is revised to read as follows:

Species	Area ¹	ABC	TAC	Overfishing
Pollock: ²				
	Shumagin (W)(61)	25,480	25,480	.....
	Chirikof (C)(62)	12,840	12,840	.....
	Kodiak (C)(63)	13,680	13,680	.....
Subtotal	W/C (61,62,63)	52,000	52,000	82,000
	E	2,810	2,810	4,000
Total .....	.....	54,810	54,810	86,400
*	*	*	*	*

On page 4306, Table 1—Continued, under the subheading "Species" in the first column, the term "Short raker/"

rougheye: 8" is revised to read "Shortraker/rougheye" 8.

On page 4307, Table 1—Continued, under the subheading "Species", "Atka mackerel" is revised to read as follows:

Species	Area ¹	ABC	TAC	Overfishing
Atka mackerel:				
	W	.....	2,310	.....
	C	.....	925	.....

Species	Area ¹	ABC	TAC	Overfishing
	E	.....	5	
Total		3,240	3,240	9,800
* * * * *		*		*

Authority: 16 U.S.C. 1801 *et seq.*

Dated: March 5, 1996.

Gary Matlock,

Program Management Officer, National
Marine Fisheries Service.

[FR Doc. 96-5872 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-22-W

50 CFR Part 672

[Docket No. 960129018-6018-01; I.D.
030596A]

Groundfish of the Gulf of Alaska; Rex Sole in the Western Regulatory Area

AGENCY: National Marine Fisheries
Service (NMFS), National Oceanic and
Atmospheric Administration (NOAA),
Commerce.

ACTION: Closure.

SUMMARY: NMFS is closing the directed
fishery for rex sole in the Western
Regulatory Area of the Gulf of Alaska
management area (GOA). This action is
necessary to prevent exceeding the rex
sole total allowable catch (TAC) in the
Western Regulatory Area.

EFFECTIVE DATE: 1200 hrs, Alaska local
time (A.l.t.), March 6, 1996, until 2359
hrs, A.l.t., December 31, 1996.

FOR FURTHER INFORMATION CONTACT:
Andrew Smoker, 907-586-7228.

SUPPLEMENTARY INFORMATION: The
groundfish fishery in the GOA exclusive
economic zone is managed by NMFS
according to the Fishery Management
Plan for Groundfish of the Gulf of
Alaska (FMP) prepared by the North
Pacific Fishery Management Council
under authority of the Magnuson
Fishery Conservation and Management
Act. Fishing by U.S. vessels is governed
by regulations implementing the FMP at
50 CFR parts 620 and 672.

In accordance with § 672.20
(c)(1)(ii)(B) the rex sole TAC for the
Western Regulatory Area was
established by the Final 1996 Harvest
Specifications of Groundfish (61 FR
4304, February 5, 1996) as 800 metric
tons (mt).

The Director, Alaska Region, NMFS
(Regional Director), has determined, in
accordance with § 672.20(c)(2)(ii), that
the rex sole TAC in the Western

Regulatory Area soon will be reached.
Therefore, the Regional Director has
established a directed fishing allowance
of 700 mt, with consideration that 100
mt will be taken as incidental catch in
directed fishing for other species in the
Western Regulatory Area. The Regional
Director has determined that the
directed fishing allowance has been
reached. Consequently, NMFS is
prohibiting directed fishing for the rex
sole in the Western Regulatory Area.

Maximum retainable bycatch amounts
for applicable gear types may be found
in the regulations at § 672.20(g).

Classification

This action is taken under § 672.20
and is exempt from review under E.O.
12866.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: March 5, 1996

Richard H. Schaefer

Director, Office of Fisheries Conservation and
Management, National Marine Fisheries
Service.

[FR Doc. 96-5805 Filed 3-7-96; 11:37 am]

BILLING CODE 3510-22-F

Proposed Rules

Federal Register

Vol. 61, No. 49

Tuesday, March 12, 1996

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Part 92

[Docket No. 94-132-1]

Screening at Privately Owned Bird Quarantine Facilities

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Proposed rule.

SUMMARY: We are proposing to amend the regulations that apply to privately owned bird quarantine facilities for imported birds to provide for the use of nylon screening and to clarify the meaning of "double screened." The proposed amendments would give facility operators a choice of screening materials and would clarify the regulations.

DATES: Consideration will be given only to comments received on or before May 13, 1996.

ADDRESSES: Please send an original and three copies of your comments to Docket No. 94-132-1, Regulatory Analysis and Development, PPD, APHIS, Suite 3C03, 4700 River Road Unit 118, Riverdale, MD 20737-1238. Please state that your comments refer to Docket No. 94-132-1. Comments received may be inspected at USDA, room 1141, South Building, 14th Street and Independence Avenue SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to inspect comments are requested to call ahead on (202) 690-2817 to facilitate entry into the comment reading room.

FOR FURTHER INFORMATION CONTACT: Dr. Tracye R. Butler, Staff Veterinarian, Import/Export Animals, National Center for Import and Export, VS, APHIS, 4700 River Road Unit 39, Riverdale, MD 20737-1231, (301) 734-5097.

SUPPLEMENTARY INFORMATION:

Background

The regulations in 9 CFR part 92.100 through 92.107, "Subpart A—Birds" (referred to below as "the regulations"), govern the importation of certain birds to prevent the introduction of communicable diseases of livestock and poultry. As a condition of importation, all imported birds must be quarantined for a minimum of 30 days upon their arrival in the United States. Under § 92.101(c)(2)(ii), certain personal pet birds may remain in the owner's possession during the 30-day quarantine if kept separate from other birds. In all other cases, imported birds must be quarantined in either a U.S. Department of Agriculture quarantine facility or in a privately owned quarantine facility that meets standards set forth in § 92.106(c).

The standards for privately owned quarantine facilities for imported birds include installation of screening over all openings to the outside to prevent the entry of rodents and insects, which could transmit disease. The regulations require that all screening be metal and that all openings to the outside be double-screened (see § 92.106(c)(2)(ii)(A)).

When the regulations were originally adopted, metal mesh was the most commonly available screening material capable of preventing the entry of rodents and insects into the quarantine area. Therefore, metal mesh screens were specified in the regulations. Now, however, strong and durable nylon mesh screening is widely available. This nylon mesh screening effectively prevents the entry of insects into the quarantine area. Therefore, we are proposing to allow the use of nylon mesh screening to prevent the entry of insects in privately owned bird quarantine facilities. Under this proposal, metal mesh screening would continue to be required for preventing the entry of rodents into the quarantine area. This proposed action would offer operators of these facilities a screening alternative.

We are also proposing to clarify the existing regulations concerning double screening. Double screening is currently required on all openings to the outside. However, the term "double screening" is not defined in the regulations. We are therefore proposing to amend the regulations to state clearly that the

screening would have to be comprised of one screen that is insect-proof and a second metal screen that is rodent-proof with a mesh size no larger than 1 inch x 1.5 inches (2.54 cm x 3.81 cm). The two screens would have to be separated by at least 3 inches (7.62 cm) with the metal rodent-proof screen used as the exterior screen. This 3-inch separation is necessary for security purposes; if a person approaches the screened wall from the outside of the quarantine facility, the 3-inch separation between the rodent-proof screen and the insect-proof screen will help prevent the person from being able to touch the birds, and the birds will not be able to peck at the person. If a privately owned bird quarantine facility has a sun room for the hatching eggs of ratites, as provided in § 92.106(c)(2)(ii)(P), the screening in the sun room would have to conform to these proposed requirements.

We believe these proposed actions would expand the selection of screening materials for the operators of privately owned bird quarantine facilities while continuing to minimize the risk of insect or rodent problems at those facilities and would clarify the regulations.

Executive Order 12866 and Regulatory Flexibility Act

This proposed rule has been reviewed under Executive Order 12866. The rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget.

Our economic analysis indicates that the proposed amendments would have little economic impact on privately owned bird quarantine facilities. Metal and nylon mesh are comparably priced. In addition, the proposed rule would add nylon mesh as a screening option; it would not require quarantine facilities to be re-screened. We anticipate that the proposed clarification concerning double screening would have no effect on facilities.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action would not have a significant economic impact on a substantial number of small entities.

Executive Order 12372

This program/activity is listed in the Catalog of Federal Domestic Assistance under No. 10.025 and is subject to Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR part 3015, subpart V.)

Executive Order 12778

This proposed rule has been reviewed under Executive Order 12778, Civil Justice Reform. If this proposed rule is adopted: (1) All State and local laws and regulations that are inconsistent with this rule will be preempted; (2) no retroactive effect will be given to this rule; and (3) administrative proceedings will not be required before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This proposed rule contains no information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 9 CFR Part 92

Animal diseases, Imports, Livestock, Poultry and poultry products, Quarantine, Reporting and recordkeeping requirements.

Accordingly, 9 CFR part 92 would be amended as follows:

PART 92—IMPORTATION OF CERTAIN ANIMALS AND POULTRY AND CERTAIN ANIMAL AND POULTRY PRODUCTS; INSPECTION AND OTHER REQUIREMENTS FOR CERTAIN MEANS OF CONVEYANCE AND SHIPPING CONTAINERS THEREON

1. The authority citation for part 92 would continue to read as follows:

Authority: 7 U.S.C. 1662; 19 U.S.C. 1306; 21 U.S.C. 102–105, 111, 114a, 134a, 134b, 134c, 134d, 134f, 135, 136, and 136a; 31 U.S.C. 9701; 7 CFR 2.22, 2.80, and 371.2(d).

2. In § 92.106, paragraphs (c)(2)(ii)(A) and (c)(2)(ii)(P)(I) would be revised to read as follows:

§ 92.106 Quarantine requirements.

* * * * *

(c) * * *

(2) * * *

(ii) * * *

(A) Be constructed only with material that can withstand continued cleaning and disinfection. All solid walls, floors, and ceilings must be constructed of impervious material. All openings to the outside must be double-screened, with an interior screen of metal or nylon mesh that is impervious to biting insects such as gnats or mosquitos, and an exterior metal screen that is rodent-

proof and is made of wire, such as rabbit wire, hardware cloth, or smooth welded wire, with mesh size no larger than 1 inch x 1.5 inches (2.54 cm x 3.81 cm). The interior and exterior screens must be separated by at least 3 inches (7.62 cm);

* * * * *

(P) * * *

(I) Any of the exterior walls may be replaced by a double-screened wall set in a concrete or concrete-block curb. The double screening shall be of wire mesh or wire mesh and nylon mesh, as provided in paragraph (c)(2)(ii)(A) of this section, with the interior and exterior screens of the sun room wall separated by at least 3 inches (7.62 cm); the concrete or concrete block curb must be at least 12 inches high, impermeable to water, and able to prevent the escape of water, manure, and debris.

* * * * *

Done in Washington, DC, this 6th day of March 1996.

Lonnie J. King,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 96–5861 Filed 3–11–96; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF ENERGY

Office of Energy Efficiency and Renewable Energy

10 CFR Part 430

Energy Conservation Program for Consumer Products: Public Workshop on the Improvements of the Appliance Standards Rulemaking Process

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy.

ACTION: Notice of new location of public workshop.

SUMMARY: On February 22, 1996, the Department of Energy (the Department or DOE) published a notice of public workshop (61 FR 6798, February 22, 1996) announcing a public workshop to be held on Tuesday, March 19, 1996, and Wednesday, March 20, 1996, at the Embassy Suites Hotel in Arlington, Virginia. The workshop will discuss possible initiatives that the Department will undertake to improve the appliance standards program. Due to the overwhelming response to this workshop, a larger facility will be required.

DATES: The public workshop will be held on Tuesday, March 19, 1996, from 9:00 a.m. to 4:30 p.m. and Wednesday,

March 20, 1996, from 9:00 a.m. to 1:00 p.m.

ADDRESSES: The new location for the workshop will be at the Washington National Airport Hilton Hotel (Crystal City), 2399 Jefferson Davis Highway, Arlington, VA 22202.

FOR FURTHER INFORMATION CONTACT:

Bryan D. Berringer, U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, Forrestal Building, Mail Station EE–431, 1000 Independence Avenue SW., Washington, DC 20585–0121, (202) 586–0371

Douglas W. Smith, U.S. Department of Energy, Office of General Counsel, Forrestal Building, Mail Station GC–70, 1000 Independence Avenue SW., Washington, DC 20585–0103, (202) 586–3410

Deborah E. Miller, U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, Forrestal Building, Mail Station EE–1, 1000 Independence Avenue S.W., Washington, D.C. 20585–0121, (202) 586–8888.

SUPPLEMENTARY INFORMATION: The public workshop to discuss possible initiatives that the Department will undertake to improve the appliance standards program has been relocated. The workshop was originally scheduled to be held on Tuesday, March 19, 1996 and Wednesday, March 20, 1996, at the Embassy Suites Hotel in Arlington, Virginia. The new location for the workshop is the Washington National Airport Hilton Hotel in Arlington, Virginia. A new location was necessary to accommodate the large number of participants who have responded to the February 22, 1996, notice of public workshop published by the Department. 61 FR 798, February 22, 1996. The dates and times for the workshop have not been changed.

Please notify Bryan Berringer at the above listed address of your intention to attend the workshop or if you have any additional questions.

Issued in Washington, DC, March 5, 1996.

Brian T. Castelli,

Chief of Staff, Energy Efficiency and Renewable Energy.

[FR Doc. 96–5700 Filed 3–11–96; 8:45 am]

BILLING CODE 6450–01–M

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39****[Docket No. 95-NM-180-AD]****Airworthiness Directives; Beech (Raytheon) Model BAe 125-1000A and Model Hawker 1000 Series Airplanes****AGENCY:** Federal Aviation Administration, DOT.**ACTION:** Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Beech (Raytheon) Model BAe 125-1000A and Model Hawker 1000 series airplanes. This proposal would require a one-time inspection for adequate clearances between, and damage to, the flap cables and turnbuckles, airbrakes cables and turnbuckles, and all other flight control cables and turnbuckles at keel subframe 15A; and various follow-on actions, if necessary. This proposal is prompted by reports of chafing due to insufficient clearance between the flaps turnbuckle and the subframe, and between the airbrakes cable and the subframe. The actions specified by the proposed AD are intended to prevent such chafing, which could result in damage to the flaps turnbuckle and the airbrakes cable, and subsequent fraying or seizing of the flight control cables. These conditions, if not corrected, could result in restriction or loss of the flight controls.

DATES: Comments must be received by April 22, 1996.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-180-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Raytheon Aircraft Company, Manager Service Engineering, Hawker Customer Support Department, P.O. Box 85, Wichita, Kansas 67201-0085. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Tim Backman, Aerospace Engineer, Standardization Branch, ANM-113,

FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055-4056; telephone (206) 227-2797; fax (206) 227-1149.

SUPPLEMENTARY INFORMATION:**Comments Invited**

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 95-NM-180-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-180-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

The Civil Aviation Authority (CAA), which is the airworthiness authority for the United Kingdom, recently notified the FAA that an unsafe condition may exist on certain Beech (Raytheon) Model BAe 125-1000A and Model Hawker 1000 series airplanes. The CAA advises that it received reports of chafing of the flaps turnbuckle and the airbrakes cable at keel subframe 15A. The cause of this chafing has been attributed to insufficient clearance between the flap turnbuckle and the subframe, and between the airbrakes cable and the subframe. Such insufficient clearance and resultant chafing could result in damage to the flap cables and/or

turnbuckles and the airbrakes cable, and subsequent fraying or seizing of the flight control cables. These conditions, if not corrected, could result in restriction or loss of the flight controls.

Raytheon Corporate Jets has issued Hawker Service Bulletin SB.27-168, dated July 17, 1995, which describes procedures for a one-time visual inspection for adequate clearances and/or damage of the flap cables and turnbuckles, airbrakes cables and turnbuckles, and all other flight control cables and turnbuckles at keel subframe 15A (left- and right-hand side); and various follow-on actions, if necessary. (These follow-on actions include modification, repair, and replacement of damaged cables.) The CAA classified this service bulletin as mandatory in order to assure the continued airworthiness of these airplanes in the United Kingdom.

These airplane models are manufactured in the United Kingdom and are type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the CAA has kept the FAA informed of the situation described above. The FAA has examined the findings of the CAA, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design, the proposed AD would require a one-time visual inspection for adequate clearances between, and/or damage to, the flap cables and turnbuckles, airbrakes cables and turnbuckles, and all other flight control cables and turnbuckles at keel subframe 15A (left- and right-hand side); and various follow-on actions, if necessary. The actions would be required to be accomplished in accordance with the service bulletin described previously.

The FAA estimates that 25 airplanes of U.S. registry would be affected by this proposed AD, that it would take approximately 1 work hour per airplane to accomplish the proposed actions, and that the average labor rate is \$60 per work hour. Based on these figures, the cost impact of the proposed AD on U.S. operators is estimated to be \$1,500, or \$60 per airplane.

The cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD

action, and that no operator would accomplish those actions in the future if this AD were not adopted.

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

Beech Aircraft Corporation (Formerly DeHavilland; Hawker Siddeley; British Aerospace, PLC; Raytheon Corporate Jets, Inc.): Docket 95-NM-180-AD.

Applicability: Model BAe 125-1000A and Model Hawker 1000 series airplanes, as listed in Hawker Service Bulletin SB.27-168, dated July 17, 1995; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For

airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (b) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent restriction or loss of the flight controls due to insufficient clearance and resultant chafing and damage to the flaps cable and/or turnbuckle and the airbrakes cable, accomplish the following:

(a) Within 6 months after the effective date of this AD: Perform a one-time detailed visual inspection for adequate working clearances and for damage of the flap, airbrakes, and other flight control cables and turnbuckles with the structure at keel subframe 15A (left- and right-hand sides) specified in Hawker Service Bulletin SB.27-168, dated July 17, 1995. Perform the inspection in accordance with that service bulletin. The detailed visual inspection for working clearances shall be conducted for each affected flight control through its full range of travel.

(1) If all clearances are within the limits specified in the service bulletin, and no damage is found: No further action is required by this AD.

(2) If the clearance for the flaps controls is outside the limits specified in the service bulletin: Prior to further flight, accomplish Modification SB 27-168-253705B in accordance with the service bulletin.

(3) If the clearance for the airbrakes controls is outside the limits specified in the service bulletin: Prior to further flight, repair in accordance with the service bulletin.

(4) If any cable is found to be damaged, and the damage exceeds the limits defined in Chapter 20-10-31 of the Airplane Maintenance Manual: Prior to further flight, replace the damaged cable with a new cable in accordance with the service bulletin.

(5) If any turnbuckle, keel subframe, or polythene strip is found to be damaged: Prior to further flight, repair in accordance with a method approved by the Manager, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate.

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Standardization Branch, ANM-113. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Standardization Branch, ANM-113.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Standardization Branch, ANM-113.

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR

21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on March 6, 1996.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 96-5857 Filed 3-11-96; 8:45 am]

BILLING CODE 4910-13-U

14 CFR Part 39

[Docket No. 95-NM-186-AD]

Airworthiness Directives; McDonnell Douglas Model DC-9 and DC-9-80 Series Airplanes, and C-9 (Military) Airplanes, Equipped With a Ventral Aft Pressure Bulkhead

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the superseding of an existing airworthiness directive (AD), applicable to certain McDonnell Douglas Model DC-9 and DC-9-80 series airplanes, Model MD-88 airplanes, and C-9 (Military) airplanes, that currently requires repetitive inspections to detect fatigue cracking in the area of the attach tees of the ventral aft pressure bulkhead. That AD was prompted by reports of fatigue cracking found in that area. This proposed action would require revised inspection and repair procedures, and would provide for terminating action. It would also delete certain airplanes from the applicability of the rule. The actions specified by the proposed AD are intended to prevent the propagation of fatigue cracking, which could lead to structural failure of the ventral aft pressure bulkhead and subsequent rapid depressurization of the airplane.

DATES: Comments must be received by May 6, 1996.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-186-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from McDonnell Douglas Corporation, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Technical Publications Business Administration, Department C1-L51 (2-60). This

information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Brent Bandle, Aerospace Engineer, Airframe Branch, ANM-120L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712; telephone (310) 627-5237; fax (310) 627-5210.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 95-NM-186-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-186-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

Discussion

On July 24, 1989, the FAA issued AD 89-16-12, amendment 39-6287 (54 FR 31649, August 1, 1989), which is applicable to McDonnell Douglas Model DC-9 and DC-9-80 series airplanes, Model MD-88 airplanes, and C-9 (military) airplanes, equipped with a ventral aft pressure bulkhead. That AD requires repetitive optically aided visual

inspections and high frequency eddy current inspections to detect fatigue cracking in the area of the attach tees of the ventral aft pressure bulkhead, and repair or replacement, if necessary. Subsequent inspections are required after any repair or replacement. That action was prompted by reports of fatigue cracking found in the aft pressure bulkhead attach tees. The requirements of that AD are intended to prevent fatigue cracking from propagating in this area. If such cracking is not detected and corrected in a timely manner, it could result in structural failure of the ventral aft pressure bulkhead and subsequent rapid depressurization of the airplane.

Service Information Referenced in the Existing AD

AD 89-16-12 references McDonnell Douglas Service Bulletin A53-231, dated February 21, 1989, as the appropriate source for service information relative to the required inspection and repair procedures. Although AD 89-16-12 was applicable to airplanes equipped specifically with a ventral aft pressure bulkhead, the procedures contained in that service bulletin applied to airplanes equipped with a non-ventral aft pressure bulkhead. At the time that AD 89-16-12 was issued, the manufacturer had advised the FAA that it was developing new inspections and corrective action that would be pertinent to airplanes with ventral aft pressure bulkheads. However, in consideration of the safety implications of the unsafe condition presented by fatigue cracking, the FAA considered it inappropriate to delay AD action relevant to those airplanes until the new inspections were developed. At that time, the FAA found that the inspection and repair procedures contained in Service Bulletin A53-231 were acceptable, only as an interim measure, for addressing fatigue cracks in airplanes with ventral aft pressure bulkheads.

New Developments Since Issuance of Existing AD

Since the issuance of AD 89-16-12, the manufacturer has developed a new series of inspection procedures that are specifically designed to detect fatigue cracking at the attach tees on airplanes equipped with ventral aft pressure bulkheads. These inspections, along with an appropriate schedule for conducting them, were developed in order to ensure that fatigue cracking in the subject area of these particular airplanes is detected and corrected before cracking can grow to a critical length. Such fatigue cracking, if allowed

to propagate unchecked, could result in structural failure of the ventral aft pressure bulkhead and subsequent rapid depressurization of the airplane.

New Service Information

The FAA has reviewed and approved McDonnell Douglas Alert Service Bulletin A53-232, Revision 2, dated April 28, 1995, which describes procedures for conducting various types of repetitive inspections to detect cracking in the ventral aft pressure bulkhead web-to-fuselage tee sections. It also describes procedures for replacement of cracked parts. The inspections can be conducted in either of two ways:

- OPTION I entails repetitive visual and low frequency eddy current inspections from the aft side of the bulkhead.
- OPTION II entails repetitive high and low frequency eddy current inspections from the forward side of the bulkhead.

If any cracking is found, the service bulletin calls for replacement of the cracked tee section. If it is replaced with new like parts, the inspections must continue to be accomplished; if it is replaced with a new improved part (that is not susceptible to the subject fatigue cracking), the inspections of that tee section may be discontinued. When all six aft pressure bulkhead tee sections are replaced with the new improved parts, the repetitive inspections can be discontinued.

FAA's Findings

As discussed previously, at the time when AD 89-16-12 was issued, the FAA considered that the inspections described in Service Bulletin A53-231 were acceptable, as an interim measure only, in detecting fatigue cracks before they could grow to a critical size. However, the FAA now finds that the new inspection procedures specified in McDonnell Douglas Alert Service Bulletin A53-232 are more effective than those previously required. They are more effective not only because the procedures are tailored specifically for inspecting the ventral bulkhead, but because they are more suited for finding (and correcting) smaller cracks in the ventral bulkhead.

Additionally, the FAA finds that the schedule for repetitive inspections specified in the service bulletin is appropriate. While certain of the repetitive inspection intervals are shorter than those of the inspections currently required by AD 89-16-12, the FAA considers that these intervals are warranted in order to ensure that fatigue

cracks are detected before they can propagate.

In light of these factors, the FAA has determined that the new inspection procedures described in McDonnell Douglas Alert Service Bulletin A53-232 must be accomplished in order to positively address the identified unsafe condition presented by fatigue cracking.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would supersede AD 89-16-12 to completely revise the currently required inspection program. This proposed AD would require either repetitive visual and low frequency eddy current inspections ("OPTION I"), or repetitive high and low frequency eddy current inspections ("OPTION II"), to detect cracking in the attach tee area of the ventral aft pressure bulkhead. Any cracked tee section would be required to be replaced prior to further flight. Replacement of all six aft pressure bulkhead tee sections with new improved parts would constitute terminating action for the repetitive inspection requirements of the AD. The actions would be required to be accomplished in accordance with the service bulletin described previously.

While the proposed AD provides for a terminating action, the FAA is not proposing to mandate that it be accomplished. The FAA considers three criteria for those situations where repetitive inspections of a crack-prone area may be permitted to continue indefinitely, even though a positive fix to the problem exists: (1) The area is easily accessible, (2) the cracking is easily detectable, and (3) the consequences of the cracking are not likely to be catastrophic. The FAA has determined that the circumstances warranting continual repetitive inspections associated with this proposed AD meet these three criteria.

This proposed AD also would revise the applicability of the rule to delete Model MD-88 airplanes. Because the terminating action specified in this proposed AD was installed on those airplanes during production, those airplanes are not subject to the unsafe condition addressed by this action.

Cost Impact

There are approximately 1,500 Model DC-9 and DC-9-80 series airplanes, and C-9 (military) airplanes of the affected design in the worldwide fleet. The FAA estimates that 1,000 airplanes of U.S. registry would be affected by this proposed AD.

To accomplish the actions specified as "OPTION I" of the proposed AD would entail approximately 22 work hours per visual inspection and 12 work hours per low frequency eddy current inspection. The average labor rate is \$60 per work hour. Based on these figures, the cost impact on U.S. operators who elect to accomplish OPTION I is estimated to be \$2,040 per airplane per inspection cycle.

To accomplish the actions specified as "OPTION II" of the proposed AD would entail approximately 8 work hours per high and low frequency eddy current inspection. The average labor rate is \$60 per work hour. Based on these figures, the cost impact on U.S. operators who elect to accomplish OPTION II is estimated to be \$480 per airplane per inspection cycle.

The cost impact figures discussed above are based on assumptions that no operator has yet accomplished any of the current or proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

Regulatory Impact

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption ADDRESSES.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation

Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by removing amendment 39-6287 (54 FR 31649, August 1, 1989), and by adding a new airworthiness directive (AD), to read as follows:

McDonnell Douglas: Docket 95-NM-186-AD. Supersedes AD 89-16-12, Amendment 39-6287.

Applicability: Model DC-9-10, -20, -30, -40, and -50 series airplanes; Model DC-9-81 (MD-81), DC-9-82 (MD-82) and DC-9-83 (MD-83) series airplanes; and C-9 (military) airplanes; equipped with a ventral aft pressure bulkhead; as listed in McDonnell Douglas Alert Service Bulletin A53-232, Revision 2, dated April 28, 1995; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (d) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent the propagation of fatigue cracks that could result in structural failure of the ventral aft pressure bulkhead, accomplish the following:

(a) Accomplish the requirements of either paragraph (a)(1), "OPTION I," or (a)(2), "OPTION II," of this AD in accordance with McDonnell Douglas Alert Service Bulletin A53-232, Revision 2, dated April 28, 1995. The initial inspection of either option must be accomplished at the applicable time specified in Table 1 of this AD.

TABLE 1

Total accumulated landings as of the effective date of this AD	Initial inspection
Less than 35,000.	Prior to the accumulation of 36,500 total landings, or within 1,500 landings after the effective date of this AD, whichever occurs later.
35,000 or more.	Within 300 landings after the effective date of this AD; or within 3,500 landings after accomplishing the last inspection performed in accordance with AD 89-16-12; whichever occurs later.

(1) **OPTION I:** Accomplish the requirements of paragraphs (a)(1)(i), (a)(1)(ii), and (a)(1)(iii) of this AD.

(i) Conduct a low frequency eddy current inspection to detect cracks of the side areas above the floor between longerons 7 and 17 on fuselage left and right sides. Repeat this inspection at intervals not to exceed 1,500 landings.

(ii) Conduct an optically aided detailed visual inspection to detect cracks of the top and lower areas from longeron 7 left side to longeron 7 right side, and on the lower fuselage from longeron 17 to longeron 20 on fuselage left and right sides. Repeat this inspection thereafter at intervals not to exceed 1,500 landings.

(iii) Conduct an optically aided detailed visual inspection to detect cracks of the bottom area from longeron 20 left side to longeron 20 right side. Repeat this inspection thereafter at intervals no to exceed 3,500 landings.

(2) **OPTION II:** Conduct both a high frequency and a low frequency eddy current inspection for cracks around the entire periphery of the fuselage from the forward side of the bulkhead. Repeat these inspections at intervals not to exceed 2,500 landings.

(b) If any cracked tee section is found during any inspection required by this AD, prior to further flight, accomplish the requirements of either paragraph (b)(1) or (b)(2) of this AD, in accordance with the procedures specified in McDonnell Douglas Alert Service Bulletin A53-232, Revision 2, dated April 28, 1995:

(1) Replace the cracked tee section with a new like part. Once that replaced part has accumulated 35,000 landings, repeat the inspections required by paragraph (a) of this AD.

(2) Replace the cracked tee section with an improved part, as specified in the alert service bulletin. Such replacement constitutes terminating action for the repetitive inspections of that section of the tee only.

(c) Replacement of all six aft pressure bulkhead tee sections with new improved parts, in accordance with McDonnell Douglas Alert Service Bulletin A53-232, Revision 2,

dated April 28, 1995, constitutes terminating action for the inspections required by this AD.

(d) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Los Angeles Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Los Angeles ACO.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

(e) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on March 6, 1996.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 96-5855 Filed 3-11-96; 8:45 am]

BILLING CODE 4910-13-U

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Chapter I

[MM Docket No. 95-176, FCC 96-71]

Closed Captioning and Video Description of Video Programming

AGENCY: Federal Communications Commission.

ACTION: Proposed rule; extension of time.

SUMMARY: Section 305 of the Telecommunications Act of 1996 adds a new section 713, Video Programming Accessibility, to the Communications Act of 1934, as amended. Section 713 requires the Commission to conduct inquiries and report to Congress on the availability of video programming with closed captioning and video descriptions. Prior to the enactment of Section 713 on February 8, 1996, the Commission initiated a Notice of Inquiry addressing the issues and seeking information on closed captioning and video description, as is now required by Section 713. This Order announces the Commission's intent to use the comments in the existing proceeding to implement Section 713 and to extend the comment dates to ensure that sufficient time is provided to respond to the legislative directive.

DATES: Comments are due on or before March 15, 1996, and reply comments are due on or before April 1, 1996.

ADDRESSES: Federal Communications Commission, 1919 M Street, N.W., Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT: Marcia A. Glauberman, Cable Services Bureau, (202) 416-0800.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's Order in MM Docket No. 95-176, FCC 96-71, adopted February 27, 1996, and released on February 27, 1996. The full text of the Order is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, N.W., Washington, D.C., 20554, and may also be purchased from the Commission's copy contractor, International Transcription Service ("ITS, Inc."), (202) 857-3800, 2100 M Street, N.W., Suite 140, Washington, D.C. 20037.

Synopsis of the Order

1. Section 305 of the Telecommunications Act of 1996, Pub. L. 104-104, 110 Stat. 56 (1996), adds a new section 713, Video Programming Accessibility, to the Communications Act of 1934, as amended ("Act"). Section 713(a) requires the Commission to complete an inquiry within 180 days of the date of enactment (February 8, 1996) to ascertain the level at which video programming is closed captioned. A report on the results of this inquiry shall be submitted to Congress. Within 18 months of enactment, the Commission is required to establish regulations and implementation schedules to ensure that video programming is fully accessible through closed captioning consistent with Section 713 (b) through (e). Section 713(f) requires the Commission to commence an inquiry within six months after the date of enactment to examine the use of video descriptions on video programming to ensure the accessibility of video programming to persons with visual impairments.

2. Prior to the date of enactment, the Commission issued a Notice of Inquiry ("Notice"), summarized at 60 FR 65052 (December 18, 1995), seeking comment on a wide range of issues relating to closed captioning and video description of video programming. Since the existing Notice addresses the issues that the Commission must explore in the inquiries required by Section 713, the Commission has determined that separate proceedings are unnecessary to implement these provisions of the Act.

3. The Order announces the Commission's intent to use the

comments in the existing proceeding to implement Section 713. It also extends the comment period until March 15, 1996, and the reply comment period until April 1, 1996, to provide parties with an opportunity to refine their comments and to focus on the specific information needed to implement Section 713 of the Act.

Ordering Clauses

4. It is ordered, that the time for filing comments in the above-captioned proceeding is extended to March 15, 1996, and the time for filing reply comments is extended to April 1, 1996.

5. This action is taken pursuant to authority found in Sections 4(i) and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 154(i) and 303(r), and Section 305 of the Telecommunications Act of 1996, Pub. L. 104-104, 110 Stat. 56 (1996).

Federal Communications Commission.

William F. Caton,
Acting Secretary.

[FR Doc. 96-5823 Filed 3-11-96; 8:45 am]

BILLING CODE 6712-01-P

47 CFR Parts 1 and 73

[MM Docket No. 96-16, FCC 96-49]

Revision of Broadcast EEO Rule and Policies

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This *Order and Notice of Proposed Rule Making* (NPRM) in MM Docket No. 96-16 seeks comment regarding various proposals to streamline the Commission's Equal Employment Opportunity (EEO) requirements with respect to certain broadcasters whose circumstances may justify this type of relief, while, at the same time, maintaining an effective EEO program for the broadcast industry. These proposals include alternatives for reducing paperwork burdens, new incentives for the establishment of joint recruitment efforts, and revisions to the test by which stations are permitted to rely on an alternative labor force when analyzing their EEO efforts. The Commission also seeks comment on a proposal to adopt guidelines for imposing sanctions for EEO violations to increase predictability for broadcasters and to facilitate the processing of renewal applications.

DATES: Initial comments due April 30, 1996; reply comments due May 30, 1996. Written comments by the public on the proposed and/or modified

information collections are due April 30, 1996. Written comments must be submitted by the Office of Management and Budget (OMB) on the proposed and/or modified information collections on or before May 13, 1996.

ADDRESSES: Office of the Secretary, Federal Communications Commission, Washington, D.C. 20554. In addition to filing comments with the Secretary, a copy of any comments on the information collections contained herein should be submitted to Dorothy Conway, Federal Communications Commission, Room 234, 1919 M Street, N.W., Washington, DC 20554, or via the Internet to dconway@fcc.gov, and to Timothy Fain, OMB Desk Officer, 10236 NEOB, 725 - 17th Street, N.W., Washington, DC 20503 or via the Internet to fain_t@al.eop.gov.

FOR FURTHER INFORMATION CONTACT: Hope G. Cooper, Mass Media Bureau, Enforcement Division. (202) 416-1450. For additional information concerning the information collections contained in this NPRM, contact Dorothy Conway at 202-418-0217, or via the Internet at dconway@fcc.gov.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's Order and Notice of Proposed Rule Making in MM Docket No. 96-16, adopted February 8, 1996, and released February 16, 1996.

The complete text of this NPRM, which was adopted in MM Docket No. 96-16, is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, NW., Washington, DC, and also may be purchased from the Commission's copy contractor, International Transcription Services, Inc., at (202) 857-3800, 2100 M Street, NW, Suite 140, Washington, DC 20037.

Synopsis of Order and Notice of Proposed Rule Making

1. In the NPRM, the Commission seeks comment regarding various proposals to streamline the Commission's Equal Employment Opportunity (EEO) requirements with respect to certain broadcasters whose circumstances may justify this type of relief, while, at the same time, maintaining an effective EEO program for the broadcast industry. These proposals included alternatives for reducing paperwork burdens, new incentives for the establishment of joint recruitment efforts, and revisions to the test by which stations are permitted to rely on an alternative labor force when analyzing their EEO efforts. The Commission also seeks comment on the proposal to adopt guidelines for imposing sanctions for EEO violations

to increase predictability for broadcasters and to facilitate the processing of renewal applications.

2. The Commission's broadcast EEO Rule requires broadcast licensees to establish and maintain an EEO program designed to provide equal employment opportunities for minorities and women in all aspects of their employment policies and practices. The objective of the EEO program is twofold: to promote programming that reflects interests of minorities and women in the local community in addition to those of the community at large and to deter discriminatory employment practices. A basic rationale underlying the broadcast EEO Rule has been that a broadcaster can more effectively fulfill its duty to serve the needs of the entire community if it makes a good faith effort to employ qualified women and minorities.

3. The Commission uses an efforts-based approach to assessing EEO compliance. The Commission focuses on a station's equal employment opportunity program, its consistent efforts to contact sources likely to refer qualified female and minority applicants and self-analysis of its outreach program. Broadcast stations with five or more full-time employees are required to file general information regarding recruitment and hiring practices as part of their license renewal application and workforce data as part of their annual employment reports. In order to comply with the requirement of self-assessing their outreach efforts, the Commission also requires broadcasters to keep records of their EEO efforts and the results of those efforts.

4. The Commission seeks comment as to which categories of stations might qualify for reduced recordkeeping and filing requirements or, in some cases, be exempted from these duties altogether. Categories being considered include station staff size, market size, and size of the local minority labor force. The Commission also seeks comment on possible options for relief for qualifying stations. Under one approach, stations would only have to certify that they meet the qualifying factor or factors and would then be exempt from further reporting requirements. Under another approach, the Commission would maintain reporting requirements but allow broadcasters a choice among possible recruitment options, one of which might be participation in recruiting events like job fairs. The Commission also asks for comment on an industry proposal to permit broadcasters not to retain detailed job-by-job recruitment records if their employment profiles meet certain benchmarks.

5. The Commission also proposes to give broadcasters credit for using the recruiting resources of a central source, such as a state broadcast association, under certain circumstances. In addition, the Commission asks for comment on whether it can improve the current test under which stations may evaluate their EEO efforts with reference to a labor force other than the labor force of the Metropolitan Statistical Area in which the station is located.

6. Finally, the Commission also seeks comment on proposed guidelines for imposing forfeitures for EEO violations. In the *NPRM*, the Commission vacated the *EEO Policy Statement*, which contained similar guidelines, because an analogous Commission decision was vacated by the Court of Appeals. The proposed guidelines set forth in the *NPRM* are expected to provide greater certainty regarding sanctions which may result from EEO violations in specific circumstances. It is also anticipated that the proposed guidelines will facilitate the resolution of EEO cases by the Commission.

Initial Paperwork Reduction Act of 1995 Analysis

The Federal Communications Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and other Federal agencies to take this opportunity to comment on the following proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, (PRA), Public Law 104-13. The *NPRM* has been submitted to the Office of Management and Budget (OMB) for review under Section 3507(d) of the PRA. Comments are requested concerning (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology.

This *NPRM*, MM Docket No. 96-16, "Order and *NPRM* on Streamlining Broadcast EEO Rules and Policies, Vacating the EEO Forfeiture Policy Statement and Amending Section 1.80 of the Commission's Rules to Include EEO Forfeiture Guidelines" which does not have an OMB control number, proposes revisions that will affect four

existing collections. The revisions are proposed to affect the following:

Title: Section 73.2080.

Form Numbers: FCC 395-B, FCC 396, FCC 396-A.

Type of Review: Revision to Existing Collections.

Respondents: Broadcast Permittees/Licensees.

OMB Control Number: 3060-0212.

Title: Section 73.2080 Equal Employment Opportunity Program.

Number of Respondents for Section 73.2080: 13,072.

Estimated time per response: 52 hours per year.

Annual Burden: 679,744.

OMB Control Number: 3060-0390.

Title: Broadcast Station Annual Employment Report.

Number of Respondents for FCC 395-B: 13,550.

Estimated time per response: 0.88 hours per report.

Annual Burden: 11,924.

OMB Control Number: 3060-0120.

Title: Broadcast Equal Employment Opportunity Model Program Report.

Number of Respondents for FCC 396-A: 2068.

Estimated time per response: 1 hour.

Annual Burden: 2,068.

OMB Control Number: 3060-0113.

Title: Broadcast Equal Employment Opportunity Program Report.

Number of Respondents for FCC 396: 235.

Estimated time per response: 3 hours.

Annual Burden: 705.

Total annual burden: 694,441.

Needs and Uses: This rulemaking proceeding seeks comment on specific proposals to streamline our broadcast equal employment opportunity (EEO) requirements without diminishing the effectiveness of the EEO program. If adopted, some of these proposals would reduce the filing and recordkeeping requirements of qualifying broadcast stations; and would likely amend Section 73.2080 (3060-0212) and would revise the following FCC Forms: FCC 395-B (3060-0390), FCC 396-A (3060-0120), and the FCC 396 (3060-0113). Any changes to these forms or our rules as a result of this proceeding involving television stations would require statutory amendment. These requirements collectively make up the Commission's EEO program. The records kept in accordance with Section 73.2080 are used by broadcast licensees in the preparation of the station's EEO Program (FCC Form 396) submitted with the license renewal application. The data collected on the FCC 395-B is used by FCC staff to monitor a broadcast station's efforts to afford equal

employment opportunity and to assess industry trends. The data collected on the FCC 396-A is reviewed by FCC analysts to determine if stations will provide equal employment opportunity to all qualified persons without regard to race, color, religion, sex or national origin. If these programs were not maintained there could be no assurance that efforts are being made to afford equal opportunity in employment.

Initial Regulatory Flexibility Analysis

As required by Section 603 of the Regulatory Flexibility Act, the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) of the expected impact on small entities of the proposals suggested in the *NPRM*. Written public comments are requested on the IRFA. These comments must be filed in accordance with the same filing deadlines as comments on the rest of the *NPRM*, but they must have a separate and distinct heading designating them as responses to the Initial Regulatory Flexibility Analysis. The Secretary shall send a copy of the *NPRM*, including the Initial Regulatory Flexibility Analysis to the Chief Counsel for Advocacy of the Small Business Administration in accordance with paragraph 603(a) of the Regulatory Flexibility Act, Public Law No. 96-354, 94 Stat. 1164, 5 U.S.C. Section 601, et. seq. (1980).

I. Reason for Action: This proposed rule making is designed to solicit comments regarding the Commission's efforts to amend our EEO Rule to ensure its effectiveness while affording relief to licensees and permittees of small stations and other distinctly situated broadcasters, and, generally, streamlining the operation of the EEO Rule for all broadcasters. This proposed rule making is also designed to solicit comments regarding the Commission's proposed adoption of forfeiture guidelines fashioned after those articulated in the *EEO Policy Statement*, 9 FCC Rcd 929 (1994), 59 Fed. Reg. 12606 (March 17, 1994). That decision was patterned after *Policy Statement, Standards for Assessing Forfeitures*, 8 FCC Rcd 6215 (1993), 58 Fed. Reg. 44767 (August 25, 1993), which was vacated by the United States Court of Appeals for the District of Columbia Circuit in *United States Telephone Ass'n v. FCC*, 28 F.3d 1232 (D.C. Cir. 1994).

II. Objectives: The Commission is seeking information regarding the impact of its EEO Rule on broadcasters of small stations and other distinctly situated broadcasters, the paperwork burden of all broadcasters in their attempt to comply with our rules and policies regarding equal employment

opportunity, and the guidelines to be used in implementing its authority to issue increased monetary forfeiture penalties for EEO violations.

III. *Legal Basis:* The proposed action is authorized under the authority contained in Sections 4(i), 303(r), and 503(b) of the Communications Act of 1934, 47 U.S.C. §§ 154(i), 303(r), 503(b).

IV. *Reporting, Recordkeeping and Other Compliance Requirements:* None.

V. *Federal Rules Which Overlap, Duplicate or Conflict With These Rules:* None.

VI. *Description, Potential Impact, and Number of Small Entities Involved:* Adoption of these forfeiture guidelines, as well as other proposals set forth in this NPRM, could affect all licensees, including those that qualify as small business entities.

VII. *Any Significant Alternatives Minimizing the Impact on Small Entities Consistent with the Stated Objectives:* In this item, we solicit comment on proposals to amend the EEO Rule to maintain the Rule's viability while reducing the paperwork required of broadcasters of small stations and other distinctly situated broadcasters. The item also solicits comments on better ways to accomplish the goals of developing guidelines for determining forfeiture amounts and providing notice to the public about the range of forfeiture amounts that may be assessed for EEO violations. We are unable to assess at this time what, if any, economic impact the proposed rule change would have on small business entities. A full assessment of the potential economic impact, as required by Section 605(b) of the Regulatory Flexibility Act of 1980 [Pub. L. 96-354, 5 U.S.C. § 605(b)] will be made, if applicable, at the final rulemaking stage.

List of Subjects

47 CFR Part 1

Reporting and recordkeeping requirements.

47 CFR Part 73

Radio broadcasting, Television broadcasting.

Federal Communications Commission.

William F. Caton,

Acting Secretary.

[FR Doc. 96-5825 Filed 3-11-96; 8:45 am]

BILLING CODE 6712-01-P

47 CFR Part 64

[GC Docket No. 96-42, FCC 96-87]

Implementation of Section 273(d)(5) of the Communications Act of 1934, as Amended by the Telecommunications Act of 1996—Dispute Resolution Regarding Equipment Standards

AGENCY: Federal Communications Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission is proposing to adopt a rule which will establish a dispute resolution process to be used by non-accredited standards development organizations in the event that a dispute resolution process is not agreed upon by all parties when establishing industry-wide standards or generic requirements for telecommunications equipment or customer premises equipment as required by 47 U.S.C. § 273(d)(5). The rule will also establish penalties to be assessed against delaying parties. This proposal is in response to legislation enacted by Congress.

DATES: Comments must be submitted on or before April 1, 1996 and reply comments are due on or before April 11, 1996.

ADDRESSES: Comments and Reply Comments may be mailed to the Office of the Secretary, Federal Communications Commission, Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT: Sharon B. Kelley, Office of General Counsel, at (202)418-1720.

SUPPLEMENTARY INFORMATION:

I. Introduction

1. The Telecommunications Act of 1996¹, amended the Communications Act by creating a new section 273, 47 U.S.C. § 273, which sets forth procedures to be followed by non-accredited standards development organizations² that set industry-wide³

¹ Pub. L. No. 104-104, 110 Stat. 56 (1996).

² As defined in section 273(d)(8)(E), [t]he term 'accredited standards development organization' means any entity composed of industry members which has been accredited by an institution vested with the responsibility for standards accreditation by the industry.

47 U.S.C. § 273(d)(8)(E). Thus, for example, Bell Communications Research, Inc. (Bellcore) would not be an accredited standards development organization and is subject to the section 273 procedures. H.R. Conf. Rep. No. 230, 104th Cong., 2d Sess. 39 (1996).

³ As defined in section 273(d)(8)(C), [t]he term 'industry-wide' means activities funded by or performed on behalf of local exchange carriers for use in providing wireline telephone exchange service whose combined total of deployed access lines in the United States constitutes at least 30 percent of all access lines deployed by

standards and requirements for manufacturing telecommunications equipment. The procedures allow interested industry parties to participate in setting industry-wide standards or generic requirements and require the organization and such parties to attempt to develop a dispute resolution process in the event of disputes on technical issues. 47 U.S.C. § 273(d)(4). Section 273(d)(5) requires the Commission to prescribe within 90 days of enactment a dispute resolution process to be used in the event all parties cannot agree to a dispute resolution process. 47 U.S.C. § 273(d)(5). Thus, the Commission's dispute resolution process is triggered only if the parties fail to agree to a process for resolving technical issues on their own. Section 273(d)(5) also requires the Commission to "establish penalties to be assessed for delays caused by referral of frivolous disputes to the dispute resolution process." Id.

2. The purpose of this proceeding is to establish dispute resolution procedures as provided for in section 273(d)(5). In section II(A) below, members of the public are requested to comment on the proposal set forth here and are also encouraged to submit alternative dispute resolution proposals that they believe would better implement this statutory section. Comment is also sought on methods for selecting an arbitrator or neutral and on the issue of whether the Commission should make its employees available for that purpose. In section II(B), we solicit proposals or recommendations concerning the types of penalties that should be assessed for referral of frivolous disputes.

II. Proposed Regulations

A. Binding Arbitration Proposal

3. As explained above, section 273(d)(5) directs the Commission to prescribe a dispute resolution process to be used by non-accredited standards development organizations in situations where the parties involved cannot agree on the dispute resolution process to be used. 47 U.S.C. 273(d)(5). Specifically, section 273(d)(5) provides:

—[w]ithin 90 days after the date of enactment of the Telecommunications Act of 1996, the Commission shall prescribe a dispute resolution process to be utilized in the event that a dispute resolution process is not agreed upon by all the parties when establishing and publishing an industry-wide standard or industry-wide generic requirement for telecommunications

telecommunications carriers in the United States as of the date of the enactment of the Telecommunications Act of 1996.

47 U.S.C. § 273(d)(8)(C).

equipment or customer premises equipment, pursuant to paragraph (4)(A)(v). The Commission shall not establish itself as a party to the dispute resolution process. Such dispute resolution process shall permit any funding party to resolve a dispute with the entity conducting the activity that significantly affects such funding parties interests, in an open, nondiscriminatory, and unbiased fashion within 30 days after the filing of such dispute. Such disputes may be filed within 15 days after the date the funding party receives a response to its comments from the entity conducting the activity. The Commission shall establish penalties to be assessed for delays caused by referral of frivolous disputes to the dispute resolution process.

47 U.S.C. 273(d)(5). According to the Conference Report, the intended purpose of the Commission's dispute resolution process is to "enable all interested parties to influence the final resolution of the dispute without significantly impairing the efficiency, timeliness, and technical quality of the activity."⁴

4. We propose here to require binding arbitration as the dispute resolution process. Binding arbitration involves the submission of the dispute to a third party or arbiter who renders a decision after hearing arguments and reviewing evidence. The parties to the dispute are bound by this final decision. Because it is less formal and complex than a formal hearing (i.e., procedural and evidentiary rules may be relaxed), arbitration is often less costly and time consuming than other dispute resolution mechanisms. Given the short 30-day period for completing the dispute resolution process, we believe binding arbitration presents the most feasible dispute resolution approach. We also seek comment on whether additional procedures are necessary in the event that the dispute resolution process is not resolved within the allotted 30-day time period.

5. Although binding arbitration appears to be the only dispute resolution method that could be accomplished within the short statutory period for completion of the dispute resolution process, we also seek comments on other approaches that might be used. For example, other methods of alternative dispute resolution include mediation, conciliation, neutral evaluation, settlement judges, mini-trial, or hybrids of these methods, such as "med-arb" (first, the neutral third party serves as a mediator and then as an arbitrator empowered to decide any issues not

resolved through mediation). Although the Administrative Dispute Resolution Act, Pub. L. No. 101-552 (Nov. 15, 1990), contained a sunset date of October 1, 1995, we also invite parties to review its provisions in making recommendations to us.

6. In addition, we seek comment on what types of procedures are needed to govern the selection of an arbitrator or neutral fact-finder. For example, should the arbitrator or neutral be selected by agreement of the involved parties? If so, what procedures should apply in the event parties are unable to reach agreement on the arbitrator? We ask commenters to address these issues. Commenters may also wish to address whether Commission staff who have expertise in the area of dispute resolution should be available to serve as neutrals/arbitrators. We note, however, that any such proposal to use Commission staff could raise issues concerning the staff's delegated authority and the procedures for application for review to the full Commission in section 5(c)(4) of the Act, 47 U.S.C. 155(c)(4).

B. Complaints of Frivolous Disputes

7. Section 273(d)(5) directs the Commission to establish penalties for delays caused by the referral of frivolous disputes to the dispute resolution process. We request commenters to assist us in defining what constitutes a "frivolous dispute." For example, section 1.52 of the Commission's rules requires that any document filed with the Commission be signed by the party or his counsel and that such signatures certify that the party or attorney has read the document, that "to the best of his knowledge, information and belief there is good ground to support it" and that "it is not interposed for delay." 47 CFR 1.52.⁵ This appears to be a useful definition in this context as well. We expect that findings concerning possible frivolous disputes and recommendations for an appropriate penalty could be made in the first instance by the resolver of the dispute, e.g., the arbitrator. We encourage commenters to present specific proposals concerning procedures for the referral of complaints of frivolous disputes to the Commission.

8. In addition, we seek public comment on the penalties that should be assessed against delaying parties. Specifically, we ask commenters to address whether the Commission should rely solely on its forfeiture

authority contained in section 503(b) of the Communications Act, or in the alternative or in addition, whether it should, or could, impose other penalties such as barring the party from further participation in the standards and requirements development processes or the imposition of costs on the complainant if its complaint is found to be frivolous. In addressing these issues, commenters should consider what procedural protections might be necessary to protect the party subject to such a complaint. Further, in addressing the potential use of forfeitures, commenters should consider the impact of section 503(b)(5), requiring that, for certain persons, there be a citation and subsequent misconduct before a forfeiture can be assessed. 47 U.S.C. 503(b)(5).

III. Conclusion

9. As discussed above, we have proposed a dispute resolution process, binding arbitration, that may be used in the event that disputes arise over technical issues when setting standards pursuant to section 273(d)(5) of the Act. To assist us in our efforts, we invite public comment on this proposal and any other possible rules and procedures that would enable us to fulfill the congressional directive.

IV. Procedural Matters

10. Pursuant to the applicable procedures set forth in sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415 and 1.419, interested parties may file comments on or before April 1, 1996 and reply comments on or before April 11, 1996. All relevant and timely comments will be considered by the Commission before final action is taken in this proceeding. To file formally in this proceeding, participants must submit an original and four copies of all comments, reply comments and supporting comments. If participants want each Commissioner to receive a personal copy of their comments, an original and nine copies must be filed. Comments and reply comments should be sent to the Office of the Secretary, Federal Communications Commission, Washington, D.C. 20554. Comments and reply comments will be available for public inspection during regular business hours in the FCC Reference Center (Room 239) of the Federal Communications Commission.

11. This *Notice of Proposed Rulemaking* is a non-restricted notice and comment proceeding. *Ex parte* presentations are permitted, except during the Sunshine Agenda period, provided they are disclosed as provided in Commission rules. *See generally* 47

⁴ H.R. Conf. Rep. No. 230, 104th Cong., 2d Sess. 39 (1996).

⁵ *See generally*, FCC Public Notice, "Commission Taking Tough Measures Against Frivolous Pleadings," FCC 96-42, released February 9, 1996.

CFR Sections 1.1202, 1.1203, and 1.1206(a).

12. As required by section 603 of the Regulatory Flexibility Act of 1980, the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) of the expected impact on small entities of the proposals in this document. The IRFA is set forth in the paragraph below. Written public comments are requested on the IRFA. These comments must be filed in accordance with the same filing deadlines as comments on the rest of the *Notice*, but they must have a separate and distinct heading designating them as responses to the Initial Regulatory Flexibility Analysis. The Secretary shall send a copy of this *Notice of Proposed Rulemaking*, including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration in accordance with paragraph 603(a) of the Regulatory Flexibility Act. P.L. No. 96-354, 94 Stat. 1164, 5 U.S.C. Section 601, *et seq.* (1980).

13. Initial Regulatory Flexibility Analysis. *Reason for Action:* The Telecommunications Act of 1996 permits a Bell Operating Company, through a separate subsidiary, to engage in the manufacture of telecommunications equipment and customer premises equipment after the Commission authorizes the company to provide in-region interLATA services. As one of the safeguards for the manufacturing process, the Telecommunications Act of 1996 amended the Communications Act by creating a new section 273, which sets forth procedures for a "non-accredited standards development organization," such as Bell Communications Research, Inc., to set industry standards for manufacturing such equipment. The statutory procedures allow outside parties to participate in setting the organization's standards and require the organization and the parties to attempt to develop a process for resolving any technical disputes. Section 273(d)(5) requires the Commission "to prescribe a dispute resolution process" to be used in the event that all parties cannot agree to a mutually satisfactory dispute resolution process. 47 U.S.C. § 273(d)(5). This rulemaking proceeding was initiated to secure comment on our proposal to rely on binding arbitration as this dispute resolution process. The proposals advanced in this *Notice* are also designed to implement Congress' goal of establishing procedures "to enable all interested parties to influence the final resolution of the dispute without significantly impairing the

efficiency, timeliness and technical quality of the activity." H.R. Conf. Rep. No. 230, 104th Cong., 2d Sess. 39 (1996).

Objectives: The Commission proposes a dispute resolution process that requires parties to rely on binding arbitration which appears to be the most feasible option given the 30 day period for completing the dispute resolution process. It also seeks to adopt rules that conform to specific statutory parameters. Section 273(d)(5) directs that the Commission "shall not establish itself as a party to the dispute resolution process," that the process shall permit resolution "in an open, non-discriminatory and unbiased fashion within 30 days after the filing of such dispute" and that the Commission will "establish penalties to be assessed for delays caused by referral of frivolous disputes to the dispute resolution process." 47 U.S.C. 273(d)(5).

Legal Basis: The proposed action is authorized under the Communications Act, sections 4(i), 4(j), 273(d)(5), 303(r) and 403 of the Communications Act, 47 U.S.C. §§ 154 (i) and (j), 273(d)(5), 303(r), and 403.

Reporting, Recordkeeping, and Other Compliance Requirements: The dispute resolution requirement contained in this *Notice*, if adopted, will require parties to use binding arbitration in the event that all parties cannot agree to a dispute resolution process. No reporting or recordkeeping requirements are proposed in this *Notice*.

Federal Rules Which Overlap, Duplicate or Conflict With These Rules: None.

Significant Alternatives Minimizing the Impact on Small Entities Consistent with the Stated Objectives: This *Notice* solicits comments on a variety of alternatives. Any additional significant alternatives presented in the comments will also be considered.

IRFA Comments: We request written comments on the foregoing Initial Regulatory Flexibility Analysis. Comments must have a separate and distinct heading designating them as responses to the IRFA and must be filed by the comment deadlines set forth in this *Notice*.

14. Authority to conduct this inquiry is given in sections 4(i), 4(j), 273(d)(5), 303(r) and 403 of the Communications Act, 47 U.S.C. 154 (i) and (j), 273(d)(5), 303(r) and 403.

15. Further information on this proceeding may be obtained by contacting Sharon B. Kelley, Office of the General Counsel, 202/418-1720.

List of Subjects in 47 CFR Part 64

Communications common carriers, Dispute resolution process, Manufacturing by Bell operating companies, Non-accredited standards development organization, Penalties for delaying parties.

Federal Communications Commission.

William F. Caton,

Acting Secretary.

[FR Doc. 96-5824 Filed 3-11-96; 8:45 am]

BILLING CODE 6712-01-P

47 CFR Part 65

[CC Docket No. 96-22; FCC 96-63]

Interstate Rate of Return Prescription Procedures and Methodologies, Subpart G, Rate Base

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: The Federal Communications Commission proposes to amend its rules regarding, "Interstate Rate of Return Prescription Procedures and Methodologies," to revise the rate base treatment of prepaid postretirement benefits other than pensions (OPEB) costs recorded In Account 1410, Other Noncurrent Assets, and all items in Account 4310, Other Long-Term Liabilities, including accrued liabilities related to OPEBs. The Commission is taking this action to update its interstate rate base rules so that items of similar nature can be afforded uniform treatment under the rate base rules.

DATES: Comments must be filed on or before April 12, 1996, and reply comments must be filed on or before May 14, 1996.

ADDRESSES: Comments should be addressed to Office of the Secretary, Federal Communications Commission, 1919 M Street, N.W., Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT: Clara Kuehn or Thaddeus Machcinski, Common Carrier Bureau, Accounting and Audits Division, (202) 418-0800.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Federal Communications Commission's Notice of Proposed Rulemaking in CC Docket No. 96-22, Amendments to Part 65, Interstate Rate of Return Prescription Procedures and Methodologies, Subpart G, Rate Base, FCC 96-63, adopted February 20, 1996 and released March 7, 1996. The complete text of the Notice of Proposed Rulemaking is available for

inspection and copying during normal business hours in the Commission's Reference Center, Room 239, 1919 M Street, N.W., Washington D.C. 20554, and may also be purchased from the Commission's copy contractor, International Transcription Service, Inc., at 2100 M Street, N.W., Suite 140, Washington, D.C. 20037, telephone number (202) 857-3800.

Synopsis of Notice of Proposed Rulemaking

1. The Notice of Proposed Rulemaking invites comment on proposals to revise the rate base treatment of prepaid postretirement benefits other than pensions (OPEB) costs recorded in Account 1410, Other Noncurrent Assets, and all items in Account 4310, Other Long-Term Liabilities, including accrued liabilities related to OPEBs. The Commission notes that it does not agree with the suggestion by some parties that modification of its Part 65 regulations be deferred until the conclusion of several pending investigations of LEC tariffs, which include exogenous adjustments for OPEB costs, but invites comment on this issue.

2. The Notice of Proposed Rulemaking proposes to include prepaid OPEB costs recorded in Account 1410, Order Noncurrent Assets, in the interstate rate base. The rationale for this action is our tentative conclusion that prepaid OPEB costs in excess of the SFAS-106 cost calculation earn a return, which benefits ratepayers by reducing amounts companies must accrue in future periods. Because investors fund these excess prepayments, this Notice proposes to include these excess prepayments in the rate base. The Commission invites comment on this proposal.

3. Currently, unfunded accrued pension costs recorded in Account 4310 are removed from the rate base, although other items recorded in Account 4310, such as accrued OPEB liabilities, are not removed from the rate base. The Notice of Proposed Rulemaking proposes to accord to the accrued OPEB liabilities recorded in Account 4310 the same rate base treatment presently accorded to unfunded accrued pension costs without modifying the rate base treatment for other items recorded in Account 4310. Alternatively, the Notice of Proposed Rulemaking also proposes to exclude all amounts recorded in Account 4310 from the interstate rate base. It is the Commission's tentative conclusion that all items recorded in Account 4310 should be removed from the rate base because these amounts are zero-cost sources of funds, those funds

provided to a carrier without cost to investors. The Commission invites comment on these proposals.

4. In the Notice the Commission states that this rulemaking is a non-restricted notice and comment proceeding. Ex parte presentations are permitted, except during the Sunshine Agenda period, provided they are disclosed as provided in the Commission's rules, 47 CFR 1.1202, 1.1203, 1.1206.

5. In the Notice the Commission certifies that the Regulatory Flexibility Act of 1980 does not apply to this rulemaking proceeding because if the proposals in this proceeding are adopted, there will not be a significant economic impact on a substantial number of small business entities, as defined by Section 601(3) of the Regulatory Flexibility Act. Because of the nature of local exchange and access service, the Commission has concluded that LECs, including small LECs, are dominant in their fields of operation and therefore are not "small entities" as defined by that act. The Secretary has sent a copy of this Notice of Proposed Rulemaking, including the certification, to the Chief Counsel for advocacy of the Small Business Administration in accordance with Section 603(a) of that act.

Ordering Clause

6. Accordingly, IT IS ORDERED that, pursuant to Sections 1, 4(i), 4(j), 201 through 205, 220, and 403 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154(i), 154(j), 201 through 205, 220 and 403, notice is hereby given of proposed amendments to Part 65, Subpart G of the Commission's Rules, 47 CFR Part 65, Subpart G, as described in the Notice of Proposed Rulemaking.

List of Subjects in 47 CFR Part 65

Administrative practice and procedure; Communications common carriers; Reporting and recordkeeping requirements; Telephone.

Federal Communications Commission.

William F. Caton,

Acting Secretary.

[FR Doc. 96-5826 Filed 3-11-96; 8:45 am]

BILLING CODE 6712-01-P

DEPARTMENT OF TRANSPORTATION

Office of the Secretary of Transportation

49 CFR Part 40

Federal Aviation Administration

14 CFR Part 121

Research and Special Programs Administration

49 CFR Part 199

Federal Railroad Administration

49 CFR Part 219

Federal Highway Administration

49 CFR Part 382

Federal Transit Administration

49 CFR Part 653 and 654

[OST Docket No. OST-96-1132, Notice 96-3]

RIN 2105-AC33

Amendment to Definition of "Substance Abuse Professional"

AGENCIES: Office of the Secretary, Federal Aviation Administration, Research and Special Programs Administration, Federal Highway Administration, Federal Railroad Administration, Federal Transit Administration, DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: Each of the Department's alcohol testing rules include a definition of a substance abuse professional. By this action, the Department is consolidating these definitions into its Department-wide testing procedures rule and adding to the definition substance abuse professionals certified by the International Certification Reciprocity Consortium.

DATES: Comments should be received by April 11, 1996. Late-filed comments will be considered to the extent practicable.

ADDRESSES: Comments should be sent, preferably in triplicate, to Docket Clerk, Docket No. OST-96-1132, Department of Transportation, 400 7th Street, S.W., Room PL-400, Washington, D.C. 20590. Comments will be available for inspection at this address from 9:00 a.m. to 5:30 p.m., Monday through Friday. Commenters who wish the receipt of their comments to be acknowledged should include a stamped, self-addressed postcard with their comments. The Docket Clerk will date-stamp the postcard and mail it back to the commenter.

FOR FURTHER INFORMATION CONTACT: Jim Swart, Program Analyst, Office of Drug Enforcement and Program Compliance, Room 10317 (202-366-3784); or Robert C. Ashby, Deputy Assistant General Counsel for Regulation and Enforcement, Room 10424, (202-366-9306); 400 7th Street, S.W., Washington D.C. 20590.

SUPPLEMENTARY INFORMATION: The Omnibus Transportation Employees Testing Act of 1991 required that an opportunity for treatment be made available to covered employees. To implement this requirement in its alcohol and drug testing rules issued in February 1994, the Department of Transportation established the role of the "substance abuse professional" (SAP). The DOT rules require an employer to advise a covered employee, who engages in conduct prohibited under these rules, of the resources available for evaluation and treatment of substance abuse problems, including the names, addresses, and telephone numbers of SAPs and counseling and treatment programs. The rules also provide for SAP evaluation to identify the assistance needed by employees with substance abuse problems. In many cases (e.g. the Federal Highway Administration and Federal Transit Administration rules), this process and the role of the SAP apply to drug testing as well as alcohol testing.

The primary safety objective of the DOT rules is to prevent, through deterrence and detection, alcohol and controlled substance users from performing transportation safety-sensitive functions. The SAP is responsible for several duties important to the evaluation, referral, and treatment of employees identified through breath and urinalysis testing as being positive for alcohol and/or controlled substance use, or who refuse to be tested, or who have violated other provisions of the DOT rules.

The SAP's fundamental responsibility is to provide a comprehensive face-to-face assessment and clinical evaluation to determine if the employee needs assistance resolving problems associated with alcohol use or prohibited drug use. If the employee is found to need assistance as a result of this evaluation, the SAP recommends a course of treatment with which the employee must demonstrate successful compliance prior to returning to DOT safety-sensitive duty. Assistance recommendations can include, but are not limited to: In-patient treatment, partial in-patient treatment, out-patient treatment, education programs, and aftercare. Upon the determination of the

best recommendation for assistance, the SAP will serve as a referral source to assist the employee's entry into an acceptable treatment or education program.

In general, the DOT rules prohibit a covered employee who has engaged in conduct prohibited by the rules from performing any safety-sensitive functions until meeting the conditions for returning to work, which include a SAP evaluation, demonstration of successful compliance with any required assistance program, and a successful return-to-duty test result (below 0.02 for alcohol test and/or a negative drug test). Therefore, the SAP follow-up evaluation is needed to determine if the employee demonstrates successful compliance with the original treatment recommendation. In addition, the SAP directs the employee's follow-up testing program.

The DOT rules define the SAP to be a licensed physician (Medical Doctor or Doctor of Osteopathy), a licensed or certified psychologist, a licensed or certified social worker, or a licensed or certified employee assistance professional. In addition, alcohol and drug abuse counselors certified by the National Association of Alcoholism and Drug Abuse Counselors (NAADAC) Certification Commission, a national organization that imposes qualification standards for treatment of alcohol and drug related disorders, are included in the SAP definition. All must have knowledge of and clinical experience in the diagnosis and treatment of substance abuse-related disorders (the degrees and certificates alone do not confer this knowledge). The rules do not authorize individuals to be SAPs who meet only state certification criteria because qualifications vary greatly by state. In some states, certified counselors do not have the experience or training deemed necessary to implement the objectives of the rules. State-certified addiction counselors could have, of course, taken the NAADAC competency examination to receive certification.

The issue of who should be regarded as qualified to be a SAP was one of the most commented-upon issues in the rulemaking leading to the February 1994 rules (see 59 FR 7334-36; February 15, 1994). In the time since these rules were issued, various parties have continued to request that they be included within the definition of SAPs. In evaluating how to respond to such requests, the Department has taken the view that any expansion of the definition of SAPs should ensure that the qualifications of persons playing this important role not be diluted.

The International Certification Reciprocity Consortium (ICRC)/Alcohol & Other Drug Abuse (Suite 213, 3725 National Drive, Raleigh, North Carolina 27612) petitioned the DOT for inclusion of its certified counselors in the SAP definition. Upon receipt of the petition, the DOT began a thorough evaluation of the ICRC proposal, including information from ICRC related to counselor eligibility criteria, quality assurance procedures, codes of ethics, and certification and testing parameters. We also reviewed ICRC information on testing procedures, examination availability, and psychometrician standards.

The results of our evaluation support the conclusion that ICRC has rigorous standards in place and that their counselors warrant inclusion in the Department's SAP definition. Their program requirements for professional counselors and their testing and certification procedures (as well as test availability) are consistent with those of other groups already defined as qualified for participation. After careful review and evaluation of the ICRC petition, supporting documentation, and testing methodology the DOT has decided to propose including ICRC certified counselors in its SAP definition. ICRC-certified counselors must meet examination, experience, and other standards comparable to NAADAC-certified counselors, who are included in the existing SAP definition. The Department is aware that other organizations may be interested having their members qualify as SAPs. Such organizations should contact the Office of Drug Enforcement and Program Compliance (see "For Further Information Contact") for information on the Department's process for reviewing petitions for inclusion in the SAP definition.

Also, the Department has decided that, for convenience, we will propose consolidating SAP-related matters into Part 40, its Department-wide procedural regulation. Therefore, we propose to add a definition of SAP—including ICRC-certified counselors—to Part 40, while the SAP definitions in each of the operating administration rules would be removed. In a subsequent notice, the Department anticipates proposing to consolidate into Part 40 other material concerning the SAP's role in the return-to-duty process.

With this action, the SAP definition would change from

Substance abuse professional means a licensed physician (Medical Doctor or Doctor of Osteopathy), or a licensed or certified psychologist, social worker, employee assistance professional, or an addiction

counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substances-related disorders.

to:

Substance abuse professional means a licensed physician (Medical Doctor or Doctor of Osteopathy); or a licensed or certified psychologist, social worker, or employee assistance professional; or an addiction counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission or by the International Certification Reciprocity Consortium / Alcohol & Other Drug Abuse). All must have knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substances-related disorders.

The last sentence would be reworded slightly to emphasize the Department's intent—incorporated in the February 1994 definition—that each SAP, regardless of the source of his or her credentials, personally have knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substances-related disorders.

Regulatory Process Matters

The proposed rule is considered to be a nonsignificant rulemaking under DOT Regulatory Policies and Procedures, 44 FR 11034. It also is a nonsignificant rule for purposes of Executive Order 12866. The Department certifies, under the Regulatory Flexibility Act, that the NPRM, if adopted, would not have a significant economic effect on a substantial number of small entities. The NPRM would not impose any costs or burdens on regulated entities, serving merely to broaden the definition of service providers under the rule. The rule has also been analyzed in accordance with the principles and criteria contained in Executive Order 12612, and it has been determined that it does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The Department is soliciting comment for 30 days on this proposal, rather than a longer time, on two grounds. First, it is highly desirable to be able to issue a final rule promptly, in order to permit ICRC-certified individuals to perform as SAPs with as little delay as possible. This is particularly important in light of the fact that, beginning January 1, 1996, many additional transportation employers began to be covered by the drug and alcohol rules, and an expanded pool of SAPs will be useful to serve the expanded universe of regulated parties. Second, the Department believes that this is a

noncontroversial action, on which we anticipate little public comment.

OST

List of Subjects in 49 CFR Part 40

Drug testing, Alcohol testing, Reporting and recordkeeping requirements, Safety, Transportation.

For the reasons set forth in the preamble, 49 CFR Part 40 is proposed to be amended as follows:

PART 40—[AMENDED]

1. The authority citation for Part 40 would continue to read as follows:

Authority: 49 U.S.C. 102,301,322; 49 U.S.C. app. 1301nt., app. 1434nt., app. 2717, app. 1618a.

§ 40.31 [Amended]

2. In § 40.31, after the definition of "specimen bottle," a definition of "substance abuse professional" is proposed to be added, to read as follows:

Substance abuse professional. A licensed physician (Medical Doctor or Doctor of Osteopathy); or a licensed or certified psychologist, social worker, or employee assistance professional; or an addiction counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission or by the International Certification Reciprocity Consortium /Alcohol & Other Drug Abuse). All must have knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substances-related disorders.

Issued this 6th day of March, 1996, at Washington, D.C.
Federico Peña,
Secretary of Transportation.

FAA

List of Subjects in 14 CFR Part 121

Air carriers, Aircraft, Aircraft pilots, Airmen, Airplanes, Air transportation, Aviation safety, Drug abuse, Drugs, Narcotics, Pilots, Safety, Transportation.

For the reasons set out in the preamble, the Federal Aviation Administration proposes to amend 14 CFR part 121, as follows:

PART 121—CERTIFICATION AND OPERATIONS: DOMESTIC, FLAG, AND SUPPLEMENTAL AIR CARRIERS AND COMMERCIAL OPERATORS OF LARGE AIRCRAFT

1. The authority citation for part 121 would continue to read as follows:

Authority: 49 U.S.C. 106(g), 400113, 40119, 44101, 44701–44702, 44705, 44709–44711, 44713, 44716–44717, 44722, 44901, 44903–44904, 44912, 46105.

Appendix I [Amended]

2. In Appendix I, Sec. II, the definition of "Substance abuse professional" is proposed to be removed.

Appendix J [Amended]

3. In Appendix J, Sec. I, subsection C, the definition of "Substance abuse professional" is proposed to be removed.

Issued in Washington, DC on March 6, 1996.

David R. Hinson,
Administrator, Federal Aviation Administration.

RSPA

List of Subjects in 49 CFR Part 199

Alcohol testing, Drug testing, Pipeline safety, Recordkeeping and reporting.

For the reasons stated in the preamble, RSPA proposes to amend 49 CFR Part 199 as follows:

PART 199—DRUG AND ALCOHOL TESTING

1. The authority for Part 199 would continue to read as follows:

Authority: 49 U.S.C. 5103, 60102, 60103, 60104, and 60108; 49 CFR 1.53.

2. In 49 CFR 199.205, the definition of "Substance abuse professional" is proposed to be removed.

Issued in Washington, DC on March 6, 1996.

D.K. Sharma,
Administrator, Research and Special Programs Administration.

FRA

List of Subjects in 49 CFR Part 219

Alcohol and drug abuse, Railroad safety, Reporting and recordkeeping requirements.

For the reasons stated in the preamble, FRA proposes to amend 49 CFR Part 219, as follows:

PART 219—CONTROL OF ALCOHOL AND DRUG USE

1. The authority for part 219 would continue to read as follows:

Authority: 49 U.S.C. 20103, 20107, 20111, 20112, 20113, 20140, 21301, 21304; Pub. L. 103–272 (July 5, 1994); and 49 CFR 1.49(m).

§ 219.5 [Amended]

2. In § 219.5, the definition of "Substance abuse professional" is proposed to be removed.

Issued in Washington, DC on March 6, 1996.

Donald M. Itzkoff,
Deputy Administrator.

FHWA

List of Subjects in 49 CFR Part 382

Alcohol and drug abuse, Highway safety, Reporting and recordkeeping requirements.

For the reasons stated in the preamble, the FHWA proposes to amend 49 CFR part 382, as follows:

PART 382—CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING

1. The authority for part 382 would continue to read as follows:

Authority: 49 U.S.C. 31306; 49 U.S.C. app. 31201 et. seq.; 49 U.S.C. 31502; 49 CFR 1.48.

§ 382.107 [Amended]

2. In § 382.107, the definition of "Substance abuse professional" is proposed to be removed.

Issued in Washington, DC on March 6, 1996.

Rodney Slater,
Administrator, Federal Highway Administration.

FTA

List of Subjects

49 CFR Part 653

Drug testing, Grant programs—transportation, Mass transportation, Reporting and recordkeeping requirements, Safety, Transportation.

49 CFR Part 654

Alcohol testing, Grant programs—transportation, Mass transportation, Reporting and recordkeeping requirements, Safety, Transportation.

For the reasons set out in the preamble, the Federal Transit Administration proposes to amend 49 CFR Parts 653 and 654, as follows:

PART 653—PREVENTION OF PROHIBITED DRUG USE IN TRANSIT OPERATIONS

1. The authority for Part 653 would continue to read as follows:

Authority: 49 U.S.C. 5331; 49 CFR 1.51.

§ 653.7 [Amended]

2. In § 653.7, the definition of "Substance abuse professional" is proposed to be removed.

PART 654—PREVENTION OF ALCOHOL MISUSE IN TRANSIT OPERATIONS

1. The authority for Part 654 would continue to read as follows:

Authority: 49 U.S.C. 5331; 49 CFR 1.51.

§ 654.7 [Amended]

2. In § 654.7, the definition of "Substance abuse professional" is proposed to be removed.

Issued in Washington, DC, on March 6, 1996.

Gordon J. Linton,
Administrator, Federal Transit Administration.

[FR Doc. 96-5848 Filed 3-11-96; 8:45 am]

BILLING CODE 4910-62-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 672

[Docket No. 960228053-6053-01; I.D. 022296E]

RIN 0648-A156

Groundfish of the Gulf of Alaska; Pollock Seasonal Allowances

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Proposed rule; request for comments.

SUMMARY: NMFS proposes regulations that would implement Amendment 45 to the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP). This amendment proposes to allow NMFS to combine by regulatory amendment the third and fourth quarterly allowances for pollock in the Western and Central (W/C) Regulatory Areas into single seasonal allowances that would become available October 1 of each fishing year in the Western Regulatory Area and September 1 of each fishing year in the Central Regulatory Area. Changes to the final 1996 harvest specifications of GOA pollock are also proposed to reflect the proposed revised seasonal allowances. These measures are necessary to address management problems that have been identified by the fishing industry. They are intended to further the management objectives of the FMP.

DATES: Comments must be received by April 22, 1996.

ADDRESSES: Comments should be sent to Ronald J. Berg, Chief, Fisheries

Management Division, Alaska Region, National Marine Fisheries Service, P.O. Box 21668, Juneau, AK 99802-1668; Attn: Lori Gravel. Copies of Amendment 45 and the Environmental Assessment/Regulatory Impact Review (RIR) prepared for this Amendment 45 may be obtained from the North Pacific Fishery Management Council above address.

FOR FURTHER INFORMATION CONTACT: Kent Lind (907) 586-7228.

SUPPLEMENTARY INFORMATION:

The pollock fishery in the exclusive economic zone of the GOA is managed by NMFS under the FMP. The FMP was prepared by the North Pacific Fishery Management Council (Council) under the Magnuson Fishery Conservation and Management Act (Magnuson Act) and is implemented by regulations found at 50 CFR 672. General regulations governing U.S. fisheries are also found at 50 CFR 620.

Background

This action proposes regulations to implement Amendment 45 to the FMP. If approved by NMFS, this amendment would remove the requirement that the total allowable catch (TAC) specified for pollock in the W/C Regulatory Areas be divided into four equal quarterly allowances and replace it with more flexible language that would require that the TACs specified for pollock in the W/C Regulatory Areas be divided into seasonal, rather than quarterly, allowances. The size, number, and timing of seasonal allowances would be established in regulation. The Council's objective in adopting Amendment 45 was to allow NMFS to combine by regulatory amendment the third and fourth quarterly allowances for pollock in the W/C Regulatory Areas into single seasonal allowances that would become available October 1 of each fishing year in the Western Regulatory Area and September 1 of each fishing year in the Central Regulatory Area.

Since 1990, the TACs specified for pollock in the W/C Regulatory Areas have been divided into four equal quarterly allowances, which become available January 1, June 1, July 1, and October 1. The quarterly allowance system was implemented as part of Amendment 19 to the FMP to limit excessive harvests of roe-bearing pollock. At the time, the Council also believed that a quarterly allowance system would provide a more stable year-round pollock fishery for GOA-based vessels and processors.

In November 1990, NMFS listed the Steller sea lion as threatened under the Endangered Species Act (ESA) and subsequently approved Amendment 25

to the FMP, which contained a variety of Steller sea lion protection measures. Amendment 25 further subdivided the annual TAC specified for pollock in the W/C Regulatory Area into three management districts (Statistical Areas 610, 620, and 630). This action was implemented to avoid a concentration of fishing effort in time and/or space that could cause localized depletions of Steller sea lion prey and exacerbate the decline of Steller sea lions. The effect of Amendment 25 was to divide the TACs specified for pollock in the W/C Regulatory Areas into 12 individual allowances (four quarterly openings in each of the three management districts).

Regulations implementing the quarterly allowance system established by Amendments 19 and 25 are found at 50 CFR 672.20(a)(2)(iv). These regulations also specify that within any fishing year, shortfalls in one quarterly allowance be proportionately added to subsequent quarterly allowances resulting in a sum for each quarterly allowance not to exceed 150 percent of the original quarterly allowance; and that within any fishing year, harvests in excess of a quarterly allowance be deducted proportionately from subsequent quarterly allowances.

Problems With the Quarterly Allowance System

In August 1995, representatives of the GOA pollock industry submitted a proposal to the Council that would combine the third and fourth quarterly allowances of pollock TAC into a single seasonal allowance. Under this industry proposal, the first and second quarterly allowances would remain unchanged; 25 percent of the TAC on January 1 and 25 percent of the TAC on June 1. However, the third and fourth quarterly allowances would be combined into a single seasonal allowance of 50 percent of the TAC released on September 1, rather than the current quarterly releases of 25 percent on July 1 and October 1.

In response to this proposal, representatives of the inshore sector of the Bering Sea pollock fishery requested that the opening date for the combined third and fourth quarter allowance be delayed until October 1 so that Bering Sea-based vessels would have time to finish the Bering Sea non-rope pollock fishery before the start of the final pollock season in the W/C Regulatory Areas. In 1995, the Bering Sea non-rope pollock season closed on September 23.

Industry and NMFS are in agreement that several problems exist with the current quarterly allowance system for pollock in the W/C Regulatory Area. The first problem is with chum salmon

bycatch. Since 1991, chum salmon bycatch has been approximately 500 percent higher during the third quarter pollock opening than any other quarter. In 1993, an estimated 59,000 chum salmon were taken during the third quarter, and in 1995 an estimated 46,000 chum salmon were taken during the third quarter pollock fishery. Delaying release of the third quarter allowance until at least September, after chum salmon spawning periods have passed, is expected to reduce chum salmon bycatch rates in the pollock fishery.

A second problem identified by industry is that the current third quarter pollock fishery conflicts with summer salmon processing activities. During July, many GOA processors operate at near or full capacity processing salmon. Delaying the July pollock opening until at least September would allow processors to avoid scheduling conflicts with salmon processing, maintain more stable production levels and, maintain a more stable workforce. Processors currently report difficulties in maintaining a workforce during September when fewer fish are typically available, yet they need crews on hand in order to be ready in October when bottom trawling reopens for groundfish. A pollock opening in September or October would allow processors to more easily span the gap between summer salmon fisheries and October bottom trawl fisheries.

A third concern raised by both management agencies and industry is that declining pollock stocks and escalating fishing effort have made the GOA pollock fishery increasingly difficult to manage, especially during the fourth quarter. The 1995 fourth quarter pollock season is a case in point. Based on anticipated fishing effort, 1995 fourth quarter pollock openings were set at 12 hours in Statistical Area 610, 24 hours in Statistical Area 620, and 3 days in Statistical Area 630. Nevertheless, substantial overharvest occurred in Statistical Area 630 due to greater than anticipated fishing effort from vessels crossing over from the Bering Sea and western GOA. This management problem is most acute during the fourth quarter for two reasons. First, TAC allowances are frequently reduced in the fourth quarter to adjust for overharvest of TACs during the other three quarters. Second, effort is usually highest in the fourth quarter since vessels based in the Bering Sea enter the W/C Regulatory Area for the fourth quarter pollock fishery after the September closure of the non-rope season pollock fishery in the Bering Sea.

Finally, some participants in the GOA pollock fishery have requested the Council maintain concurrent GOA and Bering Sea pollock seasons to discourage the Bering Sea-based fleet from participating in GOA pollock openings. In 1995, the inshore component pollock non-rope season in the Bering Sea opened on August 15 and closed on September 23, 1 week before the fourth quarter opening in the W/C Regulatory Areas. As a result, operators of inshore vessels based in the Bering Sea had both opportunity and incentive to crossover to the W/C Regulatory Area to participate in the fourth quarter (October 1) opening since they were idled with their crews available. This additional fishing effort exacerbated efforts to manage small pollock TACs in the W/C Regulatory Areas and led to substantial overharvest in Statistical Area 630.

At its January 1996 meeting, the Council considered three opening date options for a combined third and fourth quarter allowance; September 1, September 15, and October 1. At this meeting, a coalition of Bering Sea and central Gulf-based processors and vessels submitted a compromise proposal to the Council that would establish an October 1 opening date for the Western Gulf Regulatory Area and a September 1 opening date for the Central Gulf Regulatory Area. Western Gulf-based processors and fishermen expressed dissatisfaction with the compromise proposal because an October 1 opening date in the Western Regulatory Area would facilitate entry by Bering Sea-based vessels.

However, the Council subsequently recommended that NMFS implement this compromise proposal as the preferred option. The Council believed that an October 1 opening date for the Western Regulatory Area and a September 1 opening date for the Central Regulatory Area would achieve the objectives outlined above while causing the least amount of dislocation for current participants in the fishery.

Regulatory Changes Proposed By This Action

This action would combine the third and fourth quarterly allowances in the W/C Regulatory Areas into single seasonal allowances equal to 50 percent of the specified TACs. These combined allowances would open October 1 in the Western Regulatory Area and September 1 in the Central Regulatory Area. This action would retain the requirement that, within any fishing year, shortfalls in the harvest of one seasonal allowance be proportionately added to subsequent seasonal allowances resulting in a sum

for each seasonal allowance not to exceed 150 percent of the original seasonal allowance; and the requirement that, within any fishing year, harvests in excess of a seasonal allowance be deducted proportionately from subsequent seasonal allowances of the same fishing year.

Proposed Changes to 1996 Harvest Specifications

Final 1996 harvest specifications for GOA pollock were published in the Federal Register on February 5, 1996 (61 FR 4304). The proposed change from quarterly allowances to three seasonal allowances of pollock TAC amounts specified for the W/C Regulatory Areas would require that the final 1996 specifications be amended. First, footnote 2 to Table 1 would be revised to read as follows:

"Pollock is apportioned to three statistical areas in the combined Western/Central Regulatory Area, each of which is further divided into three seasonal allowances (Table 3). In the Eastern Regulatory Area, pollock is not divided into seasonal allowances."

Second, page 4308 of the final 1996 specifications, section 4, "Apportionments of Pollock TAC Among Regulatory Areas, Season, and

Between Inshore and Offshore Components," and Table 3 would be amended to reflect the proposed seasonal allowances of pollock:

4. Apportionments of Pollock TAC Among Regulatory Areas, Seasons, and Between Inshore and Offshore Components

In the GOA, pollock is apportioned by area, season, and inshore/offshore components. Regulations at § 672.20(a)(2)(iv) require that the TAC for pollock in the combined W/C GOA be apportioned among statistical areas; Shumagin (61), Chirikof (62), and Kodiak (63) in proportion to known distributions of the pollock biomass. This measure was intended to provide spatial distribution of the pollock harvest as a sea lion protection measure. Each statistical area apportionment would be further divided into three seasonal allowances (Table 3). In the Eastern Regulatory Area, pollock is not divided into seasonal allowances.

Within any fishing year, any unharvested amount of any seasonal allowance of pollock TAC would be added in equal proportions to the subsequent seasonal allowances, resulting in a sum for each seasonal allowance that does not exceed 150 percent of the original seasonal allowance. Similarly, harvests in excess of a seasonal allowance of TAC would be deducted in equal proportions from the remaining seasonal allowances of that fishing year. Directed fishing for pollock in the Western Regulatory Area (Statistical

Area 610) would be authorized in seasonal allowances beginning on January 1, June 1, and October 1. Directed fishing for pollock in the Central Regulatory Area (Statistical Areas 620 and 630) would be authorized in seasonal allowances beginning on January 1, June 1, and September 1. The Eastern Regulatory Area pollock TAC of 2,810 metric tons (mt) is not allocated among smaller areas or seasonal allowances.

Regulations at § 672.20(a)(2)(v)(A) require that the domestic annual processing (DAP) apportionment for pollock in all regulatory areas and all seasonal allowances thereof be divided into inshore and offshore components. One hundred percent of the pollock DAP in each regulatory area is apportioned to the inshore component after subtraction of amounts that are determined by the Director, Alaska Region, NMFS (Regional Director) to be necessary to support the bycatch needs of the offshore component in directed fisheries for other groundfish species. The amount of pollock available for harvest by vessels in the offshore component is that amount actually taken as bycatch during directed fishing for groundfish species other than pollock, up to the maximum retainable bycatch amounts allowed under regulations at § 672.20(g).

Third, Table 3 of the final 1996 specifications would be amended as follows to reflect the proposed seasonal allowances of pollock:

TABLE 3.—DISTRIBUTION OF POLLOCK IN THE WESTERN AND CENTRAL REGULATORY AREAS OF THE GULF OF ALASKA (W/C GOA).

[ABC for the W/C GOA is 52,000 mt. Biomass distribution is based on 1993 survey data. TACs are equal to ABC. Inshore and offshore allocations of pollock are not shown. ABCs and TACs are rounded to the nearest 10 mt.]

Statistical area	Biomass percent	1996 TAC	Seasonal allowances ¹		
			First	Second	Third
Shumagin (61)	49.0	25,480	6,370	6,370	12,740
Chirikof (62)	24.7	12,840	3,210	3,210	6,420
Kodiak (63)	26.3	13,680	3,420	3,420	6,840
Total	100.0	52,000	13,000	13,000	26,000

¹ As established under paragraphs (e) and (f) § 672.23, the first and second seasonal allowances of W/C pollock TAC amounts are available January 1 and June 1, respectively. The third seasonal allowance specified for statistical area 61 would become available October 1 and the third seasonal allowance specified for statistical areas 62 and 63 would become available September 1.

Classification

Section 304(a)(1)(D) of the Magnuson Act requires that regulations proposed by a Council be published within 15 days of receipt of the FMP amendment and regulations. At this time NMFS has not determined that Amendment 45 to the FMP that this rule would implement is consistent with the national standards, other provisions of the Magnuson Act, and other applicable laws. NMFS, in making that determination, will take into account the data, views, and comments received during the comment period.

This proposed rule has been determined to be not significant for the purposes of E.O. 12866.

An RIR was prepared for this proposed rule that describes the management background, the purpose and need for action, the management action alternatives, and the social impacts of the alternatives. The RIR also estimates the total number of small entities affected by this action and analyzes the economic impact on those small entities. Copies of the RIR can be obtained from the Council (see ADDRESSES).

The analysis in the RIR shows that the economic effects of this proposed rule to the regulated community would be positive and relatively minor. Accordingly, the Assistant General Counsel for Legislation and Regulation of the Department of Commerce

certified to the Chief Counsel for Advocacy of the Small Business Administration that this proposed rule, if adopted, would not have a significant economic impact on a substantial number of small entities. As a result, a regulatory flexibility analysis was not prepared.

The section 7 consultations for the 1996 GOA and BSAI TAC specifications have evaluated the potential for adverse effects to ESA listed species including Steller sea lions, Snake River salmon, and seabirds. An additional informal consultation to specifically evaluate the effects of Amendment 45 on Steller sea lions was concluded on February 16, 1996. As a result of these consultations, the Director, Alaska Region, NMFS

determined fishing activities under this rule are unlikely to adversely affect endangered or threatened species.

List of Subjects in 50 CFR Part 672

Fisheries, Reporting and recordkeeping requirements.

Dated: March 5, 1996.

Richard H. Schaefer,
Acting Program Manager Officer, National Marine Fisheries Service.

For the reasons set out in the preamble, 50 CFR part 672 is proposed to be amended as follows:

PART 672—GROUND FISH OF THE GULF OF ALASKA

1. The authority citation for part 672 continues to read as follows:

Authority: 16 U.S.C. 1801, *et seq.*

General Amendments

2. In § 672.20, paragraph (a)(2)(iv); the first sentence of paragraph (a)(2)(v)(A); and paragraph (c)(2) are revised to read as follows:

§ 672.20 General limitations.

(a) * * *

(2) * * *

(iv) The TAC for pollock in the combined Western and Central Regulatory Areas will be apportioned among Statistical Areas 610, 620, and 630 in proportion to the distribution of the pollock biomass as determined by the most recent NMFS surveys. Each apportionment will be divided into three seasonal allowances of 25 percent, 25 percent and 50 percent of the apportionment, respectively, corresponding to the three fishing seasons defined at paragraphs (c) and (f) of § 672.23. Within any fishing year, any unharvested amount of any seasonal allowance will be added proportionately to all subsequent seasonal allowances, resulting in a sum for each allowance not to exceed 150 percent of the initial seasonal allowance. Within any fishing year, harvests in excess of a seasonal allowance will be deducted proportionately from all subsequent seasonal allowances.

(v) * * * (A) The DAP apportionment of pollock in all regulatory areas will be allocated entirely to vessels catching pollock for processing by the inshore component after subtraction of an amount that is projected by the Regional Director to be caught by, or delivered to, the offshore component incidental to directed fishing for other groundfish species. * * *

* * * * *

(c) * * *

(2)—(i) *Applicable after December 31, 1998.* If the Regional Director determines that the amount of a target species or “other species” category apportioned to a fishery is likely to be reached, the Regional Director may establish a directed fishing allowance for that species or species group. The amount of a species or species group apportioned to a fishery is the amount identified in the notice of specifications as provided in paragraph (c)(1) of this section as these amounts are revised by inseason adjustments, for that species or species group, as identified by regulatory area or district and as further identified according to any allocation of total allowable level of fishing level (TALFF), the apportionment for joint venture processing (JVP), the apportionment for DAP, the seasonal allowance of pollock and, if applicable, as further identified by gear type. In establishing a directed fishing allowance, the Regional Director shall consider the amount of that species or species group or seasonal allowance of pollock that will be taken as incidental catch in directed fishing for other species in the same regulatory area or district. If the Regional Director establishes a directed fishing allowance and that allowance is or will be reached before the end of the fishing year or, with respect to pollock, before the end of the season, NMFS will prohibit directed fishing for that species or species group in the specified regulatory area or district. If directed fishing for a species or species group is prohibited, any amount of that species or species group greater than the maximum retainable bycatch amount, as calculated under paragraph (g) of this section, may not be retained and must be treated as a prohibited species under paragraph (e) of this section.

(ii) *Applicable through December 31, 1998.* If the Regional Director determines that the amount of a target species or “other species” category apportioned to a fishery is likely to be reached, the Regional Director may establish a directed fishing allowance for that species or species group. The amount of a species or species group apportioned to a fishery is the amount identified in the notice of specifications as provided in paragraph (c)(1) of this section. These amounts are revised by inseason adjustments, for a given species or species group, as identified by regulatory area or district, and as further identified according to any allocation of TALFF, the apportionment for JVP, the apportionment for DAP, the seasonal allowance of pollock or, with respect to Pacific cod, to an allocation

to the inshore or offshore component and, if applicable, as further identified by gear type. In establishing a directed fishing allowance, the Regional Director should consider the amount of that species group, seasonal allowance of pollock, or allocation of Pacific cod to the inshore or offshore component that will be taken as incidental catch in directed fishing for other species in the same regulatory area or district. If the Regional Director establishes a directed fishing allowance and that allowance is or will be reached before the end of the fishing year or, with respect to pollock, before the end of the season, NMFS will prohibit directed fishing for the species or species group in the specified regulatory area or district. If directed fishing for a species or species group is prohibited, any amount of that species or species group greater than the maximum retainable bycatch amount, as calculated under paragraph (g) of this section, may not be retained and must be treated as a prohibited species under paragraph (e) of this section.

* * * * *

3. In § 672.23, paragraph (e) is revised and paragraph (f) is added to read as follows:

§ 672.23 Seasons.

* * * * *

(e) Subject to other provisions of this part, directed fishing for pollock in the Western Regulatory Area of the Gulf of Alaska is authorized in three seasons: (1) From 0:01 a.m., A.l.t., January 1 through 12 noon, A.l.t., April 1; (2) from 12 noon, A.l.t., June 1 through 12 noon, A.l.t., July 1; and (3) from 12 noon, A.l.t., October 1 through 12 midnight A.l.t., December 31.

(f) Subject to other provisions of this part, directed fishing for pollock in the Central Regulatory Area of the Gulf of Alaska is authorized in three seasons: (1) From 0:01 a.m., A.l.t., January 1 through 12 noon, A.l.t., April 1; (2) from 12 noon, A.l.t., June 1 through 12 noon, A.l.t., July 1; and (3) from 12 noon, A.l.t., September 1 through 12 midnight A.l.t., December 31.

Nomenclature Amendments

§ 672.20 [Amended]

4. In addition to the amendments set out above, in § 672.20, in paragraph (c)(1), remove all occurrences of the word “quarterly” and add in their place the word “seasonal”.

[FR Doc. 96-5744 Filed 3-7-96; 11:37 am]

BILLING CODE 3510-22-W

Notices

Federal Register

Vol. 61, No. 49

Tuesday, March 12, 1996

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Grain Inspection, Packers and Stockyards Administration

Deposting of Stockyard; Walking Acres Auction; Plymouth, North Carolina; Correction

On May 17, 1995, a notice was published in the Federal Register (60 FR 26405) giving notice of the deposting for certain stockyards listing their facility number, name, location, and date of posting.

This letter is to correct the error of that notice of deposting for the facility number, name, location, and date of posting of the market listed below that is still active and should not have been deposted.

NC-162—Walking Acres Auction, Plymouth, North Carolina, October 23, 1991

Done at Washington, DC, this 4th day of March 1996.

Daniel L. Van Ackeren,
Director, Livestock Marketing Division,
Packers and Stockyards Programs.

[FR Doc. 96-5709 Filed 3-11-96; 8:45 am]

BILLING CODE 3410-20-P

COMMISSION ON CIVIL RIGHTS

Sunshine Act Meeting

AGENCY: U.S. Commission on Civil Rights.

DATE AND TIME: Friday, March 22, 1996, 9:30 a.m.

PLACE: U.S. Commission on Civil Rights, 624 Ninth Street, NW, Room 540, Washington, DC 20425.

STATUS:

Agenda

- I. Approval of Agenda
- II. Approval of Minutes of December 15, 1995 and March 6, 1996 Meetings
- III. Announcements
- IV. Staff Director's Report
- V. State Advisory Committee Reports

"Resources Devoted to Local and Federal Civil Rights Enforcement in Minnesota" (Minnesota)

"Racial Tensions in Tennessee" (Tennessee)

VI. State Advisory Committee Appointments for Alaska, Arizona, California, Missouri, Nebraska, Vermont, Wyoming, Kentucky (interim), and Tennessee (interim)

VII. Commission's Subpoena Power

VIII. Program Planning Retreat Discussion

IX. Future Agenda Items

CONTACT PERSON FOR FURTHER

INFORMATION: Barbara Brooks, Press and Communications (202) 376-8312.

Dated: March 8, 1996.

Miguel A. Sapp,

Parliamentarian.

[FR Doc. 96-6052 Filed 3-8-96; 8:45 am]

BILLING CODE 6335-01-M

DEPARTMENT OF COMMERCE

Submission for OMB Review; Comment Request

DOC has submitted to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. chapter 35).

Agency: Bureau of the Census.

Title: Current Population Survey—April 1996 Supplement on Child Support Payments.

Form Number(s): None

Agency Approval Number: None.

Type of Request: New collection;

EMERGENCY REVIEW.

Burden: 196 hours.

Number of Respondents: 11,750.

Avg Hours Per Response: 1 minute.

Needs and Uses: The Bureau of the Census requests approval to add a separate set of questions about child support expenditures at the end of the existing April supplement to the Current Population Survey (CPS) on child support received which has been separately cleared by OMB. The information collected will assist U.S. Government social agencies in helping refine the concept of income resources available to families and is one aspect of the Government's large-scale investigation into new methods of determining poverty.

The Census Bureau is submitting this request for emergency review. We need clearance by April 1 so that the supplemental questions may be added

to the automated CPS instrument and interviewers can be given training before the start of interviewing on April 14. Emergency review has become necessary because of a delay in submitting this request caused by the Government shutdowns earlier in the year. We have taken all practicable steps to consult with the public and other Federal agencies prior to making this submission, including publishing a notice in the Federal Register on January 22, 1996 making public our plans to submit this request.

Affected Public: Individuals or households.

Frequency: Annually.

Respondent's Obligation: Voluntary.

OMB Desk Officer: Jerry Coffey, (202) 395-7314.

Copies of the above information collection proposal can be obtained by calling or writing Linda Engelmeier, Acting DOC Forms Clearance Officer, (202) 482-3272, Department of Commerce, room 5312, 14th and Constitution Avenue, NW, Washington, DC 20230.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to Jerry Coffey, OMB Desk Officer, room 10201, New Executive Office Building, Washington, DC 20503.

Dated: March 7, 1996.

Linda Engelmeier,
Acting Departmental Forms Clearance Officer, Office of Management and Organization.

[FR Doc. 96-5752 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-07-M

National Institute of Standards and Technology

[Docket No. 950405088-5285-02]

RIN 0693-AB40

Approval of Withdrawal of Federal Information Processing Standard (FIPS) 121, Videotex/Teletext Presentation Level Protocol Syntax (North American PLPS)

AGENCY: National Institute of Standards and Technology (NIST), Commerce.

ACTION: Notice.

SUMMARY: The purpose of this notice is to announce that the Secretary of Commerce has approved the withdrawal

of Federal Information Processing Standard (FIPS) 121, Videotex/Teletext Presentation Level Protocol Syntax (North American PLPS).

On May 4, 1995, notice was published in the Federal Register (60 FR 22051) proposing withdrawal of Federal Information Processing Standards (FIPS) 121, Videotex/Teletext Presentation Level Protocol Syntax (North American PLPS), because the standard is no longer needed by the Federal Government.

The written comments submitted by interested parties and other material available to the Department relevant to this standard was reviewed by NIST. On the basis of this review, NIST recommended that the Secretary approve the withdrawal of the FIPS, and prepared a detailed justification document for the Secretary's review in support of that recommendation.

The detailed justification document which was presented to the Secretary is part of the public record and is available for inspection and copying in the Department's Central Reference and Records Inspection Facility, Room 6020, Herbert C. Hoover Building, 14th Street between Pennsylvania and Constitution Avenues, NW, Washington, DC 20230.

EFFECTIVE DATE: This withdrawal is effective March 12, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. Shirley Radack, National Institute of Standards and Technology, Gaithersburg, MD 20899, telephone (301) 975-2833.

Authority: Federal Information Processing Standards Publications (FIPS PUBS) are issued by the National Institute of Standards and Technology after approval by the Secretary of Commerce pursuant to Section 111(d) of the Federal Property and Administrative Services Act of 1949 as amended by the Computer Security Act of 1987, Public Law 100-235.

Dated: March 4, 1996.

Samuel Kramer,
Associate Director.

[FR Doc. 96-5888 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-CN-M

Judges Panel of the Malcolm Baldrige National Quality Award

AGENCY: National Institute of Standards and Technology, Department of Commerce.

ACTION: Notice of public meeting.

SUMMARY: Pursuant to the Federal Advisory Committee Act, 5 U.S.C. app. 2, notice is hereby given that the Judges Panel of the Malcolm Baldrige National Quality Award (MBNQA) will meet on Tuesday, April 2, 1996, from 8:30 a.m. to 5:00 p.m., and on Wednesday, April

3, 1996, from 8:30 a.m. to 4:00 p.m. The Judges panel is composed of nine members prominent in the field of quality management and appointed by the Secretary of Commerce. The meeting will be composed of two parts: on April 2, 1996, the Judges panel will meet to review the summary of the 1995 Award cycle, establish the 1996 Award cycle (including examiner selection and training), review survey of former applicants, review improvements on the feedback and judging processes, and discuss future plans for the Award program; and, on April 3, 1996, there will be a combined meeting of the members of the Judges Panel and the Board of Overseers. The Board of Overseers will receive and then discuss reports from the Judges Panel and the National Institute of Standards and Technology (NIST) on the Award process. These reports and discussions will cover the following topics: review of roles/responsibilities of Judges and Overseers; status of the 1995/1996 Award Cycles; health care and education award progress; information transfer on winners' responsibility, application trend, and Quest for Excellence VIII Conference and regional conferences.

ADDRESSES: The meeting will be held at The Hotel Washington Hotel, 515 - 15th Street and Pennsylvania Avenue, Capitol Room (seating capacity 40, includes 24 participants), Washington, D.C. 20004-1099.

FOR FURTHER INFORMATION CONTACT: Dr. Harry Hertz, Director for Quality Programs, National Institute of Standards and Technology, Gaithersburg, Maryland 20899, telephone number (301) 975-2361.

Dated: March 5, 1996.

Samuel Kramer,
Associate Director.

[FR Doc. 96-5819 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-13-M

Board of Overseers of the Malcolm Baldrige National Quality Award

AGENCY: National Institute of Standards and Technology, Department of Commerce.

ACTION: Notice of public meeting.

SUMMARY: Pursuant to the Federal Advisory Committee Act, 5 U.S.C. app. 2, notice is hereby given that the Board of Overseers of the Malcolm Baldrige National Quality Award (MBNQA) will meet on Wednesday, April 3, 1996, from 10:30 a.m. to 4:00 p.m. The Board of Overseers is composed of nine members

prominent in the field of quality management and appointed by the Secretary of Commerce. The members of the Board of Overseers will meet jointly with the members of the Judges Panel of the MBNQA. The Board will receive and then discuss reports from the Judges Panel and the National Institute of Standards and Technology (NIST) on the Award process. These reports and discussions will cover the following topics: review of roles/responsibilities of Judges and Overseers; status of the 1995/1996 Award Cycles; health care and education award progress; information transfer on winners' responsibility, application trend, and Quest for Excellence VIII Conference and regional conferences.

DATES: The meeting will convene April 3, 1996, at 10:30 a.m. and adjourn at 4:00 p.m. on April 3, 1996.

ADDRESSES: The meeting will be held at The Hotel Washington Hotel, 515-15th Street and Pennsylvania Avenue, Capitol Room (seating capacity 40, includes 24 participants), Washington, DC 20004-1099.

FOR FURTHER INFORMATION CONTACT: Dr. Harry Hertz, Director for Quality Programs, National Institute of Standards and Technology, Gaithersburg, Maryland 20899, telephone number (301) 975-2361.

Dated: March 5, 1996.

Samuel Kramer,
Associate Director.

[FR Doc. 96-5820 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-13-M

National Oceanic and Atmospheric Administration

Notice to Solicit Public Comment on the Draft Management Plan for the Wells National Estuarine Research Reserve

AGENCY: Sanctuaries and Reserves Division, Office of Ocean and Coastal Resource Management, National Ocean Service, National Oceanic and Atmospheric Administration, Department of Commerce.

ACTION: Notice to Solicit Public Comment on the Draft Management Plan for the Wells National Estuarine Research Reserve.

SUMMARY: Notice is hereby given that the Sanctuaries and Reserves Division (SRD), Office of Ocean and Coastal Resource Management (OCRM), National Ocean Service (NOS), National Oceanic and Atmospheric Administration (NOAA), and the Wells National Estuarine Research Reserve Management Authority (RMA) have

made available the Draft Management Plan (DMP) for the Wells National Estuarine Research Reserve (NERR). This DMP sets forth the program missions, goals and objectives of the Wells NERR, and establishes policies that will protect the natural resources and ecological integrity of the Wells NERR. This management plan, when finalized, will replace, as an update the NERR's current management plan.

The public comment period for the DMP ends 30 days from the date of this notice.

Copies of the document are available upon request to the Wells National Estuarine Research Reserve, 342 Laudholm Road, Wells, Maine 04090. 207/646-1555.

FOR FURTHER INFORMATION CONTACT: Doris Grimm, OCRM, Sanctuaries and Reserves Division, 1305 East-West Highway, 12th Floor (N/ORM2), Silver Spring, Maryland 20910. (301) 713-3132, extension 118.

Federal Domestic Assistance Catalog Number 11.420

(Coastal Zone Management) Research Reserves

Dated: March 6, 1996.

David L. Evans,

Acting Deputy Assistant Administrator for Ocean Services and Coastal Zone Management.

[FR Doc. 96-5887 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-08-M

[I.D. 011996A]

Endangered and Threatened Wildlife; Recovery Plans for Listed Sea Turtles

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of availability; request for comments.

SUMMARY: NMFS and the Fish and Wildlife Service (FWS), Department of the Interior, (collectively, the Services) announce the availability of the proposed recovery plans for U.S. Pacific populations of endangered and threatened sea turtles, as required by the Endangered Species Act of 1973 (ESA). These reviews and any written comments received shall be considered by the Services in their approval of the final recovery plans.

DATES: Written comments will be accepted on or before May 13, 1996.

ADDRESSES: Requests for copies of the proposed recovery plans may be submitted to the Chief, Endangered Species Division, Office of Protected

Resources, NMFS, 1315 East-West Highway, Silver Spring, MD 20910.

FOR FURTHER INFORMATION CONTACT: Therese Conant, 301-713-1401, or Richard Byles, 505-248-6647.

SUPPLEMENTARY INFORMATION:

Background

The ESA is administered jointly by the Services. NMFS has jurisdiction over most species in the marine system while FWS has jurisdiction elsewhere. Listed endangered and threatened species under NMFS jurisdiction are enumerated in 50 CFR 222.23(a) and 50 CFR 227.4, respectively. The List of Endangered and Threatened Wildlife, which contains species under the jurisdiction of both Services, is found in 50 CFR part 17.11(h).

Pursuant to a Memorandum of Agreement between the two Services, the jurisdiction over listed sea turtles is shared: FWS has responsibility for sea turtles primarily in the terrestrial environment, while NMFS has responsibility for sea turtles primarily in the marine environment. Presently, all sea turtle species found in the United States are listed as follows: Kemp's ridley (*Lepidochelys kempi*), leatherback (*Dermochelys coriacea*), and hawksbill (*Eretmochelys imbricata*) are listed as endangered; loggerhead (*Caretta caretta*), green (*Chelonia mydas*), and olive ridley (*Lepidochelys olivacea*) turtles are listed as threatened, except for breeding populations of green turtles in Florida and on the Pacific coast of Mexico, and breeding populations of olive ridleys on the Pacific coast of Mexico, which are listed as endangered.

Section 4(f)(1) of the ESA requires that the Secretary of the Interior or the Secretary of Commerce develop and implement recovery plans for the conservation and survival of endangered and threatened species listed pursuant to section 4(c) of the ESA unless such plans would not promote the conservation of the species. Pursuant to section 4(f)(4) of the ESA, prior to final approval and implementation of a new or revised recovery plan, the Secretary shall provide public notice and an opportunity for public review and comment. The Secretary shall consider all information presented during the public comment period prior to approval of the plan. In addition, it is the policy (59 FR 34273, July 1, 1994) of the Services to minimize social and economic impacts in developing and implementing recovery plans while providing for the timely recovery of the species.

The proposed recovery plans are for the U.S. Pacific populations of the

loggerhead, olive ridley, leatherback, hawksbill, green and the East Pacific population of the green. These are the first comprehensive proposed recovery plans for sea turtle populations in the U.S. Pacific. To accomplish the drafting of these proposed recovery plans, NMFS formed a team of professional biologists (Recovery Team) with experience in the region and with marine turtles. The recovery plans proposed by the Services are essentially the recommendations of the Recovery Team.

While similar in format to previously drafted sea turtle recovery plans for the Atlantic and the Caribbean, the unique nature of the Pacific required some changes to that format. The geographic scope of these plans is much larger than any previously attempted, with over 5,000 islands and 3,000 miles of ocean, as well as the mainland United States, to consider. Furthermore, the amount of jurisdictional overlap between nations, commonwealths, territories and compact-of-free-association-states and the various turtle populations required a broader management perspective than has been attempted previously. Finally, sea turtles have not been studied as intensively in the Pacific as in other U.S. areas, and thus there is a large void in basic biological information on the species available. Thus, these plans have more extensive text on the general biology of the turtles, so that they might act as a resource to managers seeking a handy reference to the species. The plans are also subdivided into U.S. jurisdictional areas (i.e. the various commonwealths and territories), so that local managers can address issues within their respective regions more easily.

Request for Comments

The Services intend that the final recovery plans will take advantage of information and recommendations from all interested parties. Therefore, comments and suggestions are hereby solicited from the public, other concerned governmental agencies, the scientific community, industry, and any other person concerned with this proposed recovery plan area. The proposed recovery plans are available (see **ADDRESSES**).

Authority: 16 U.S.C. 1531-1543 *et seq.*

Dated: March 7, 1996.

Pat Montanio,

Deputy Director, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 96-5871 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-22-F

[I.D. 030596F]

South Atlantic Fishery Management Council; Public Meeting

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of public meeting

SUMMARY: The South Atlantic Fishery Management Council (Council) will hold a public meeting of its Executive Committee.

DATES: The meeting will be held on March 27–28, 1996. See **SUPPLEMENTARY INFORMATION** for specific dates and times.

ADDRESSES: The meeting will be held at the Town and Country Inn, 2008 Savannah Highway, Charleston, SC 29407; telephone: (803) 571-1000.

Council address: South Atlantic Fishery Management Council, One Southpark Circle, Suite 306; Charleston, SC 29407-4699.

FOR FURTHER INFORMATION CONTACT: Susan Buchanan, Public Information Officer; telephone: (803) 571-4366; fax: (803) 769-4520; E-mail: Susan_Buchanan@safmc.nmfs.gov.

SUPPLEMENTARY INFORMATION:**Meeting Dates**

March 27, 1996, 1:00 p.m. to 5:00 p.m. and March 28, 1996, 8:30 a.m. to 12:00 noon.

The Executive Committee will review and respond to the NMFS proposed consolidated regulations and removal of the Spiny Lobster Fishery Management Plan (FMP); address the latest proposed Magnuson Act amendments; discuss remaining fiscal year 1996 Council activities and the fiscal year 1996 budget; begin preliminary activities and budget planning for fiscal year 1997; and discuss a Council Weakfish FMP.

Special Accommodations

These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to the Council office (see **ADDRESSES**) by March 20, 1996.

Dated: March 5, 1996.

Richard W. Surdi,

Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service.

[FR Doc. 96-5749 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-22-F

[I.D. 030496D]

Endangered Species; Permits

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Receipt of applications for modifications to a research/enhancement permit (P503A) and two incidental take permits (P503K and 503I).

SUMMARY: Notice is hereby given that the Idaho Department of Fish and Game in Boise, ID (IDFG) has applied in due form for modifications to permits authorizing takes of endangered and threatened species for the purpose of scientific research/enhancement and as incidental takes.

DATES: Written comments or requests for a public hearing on any of these applications must be received on or before April 11, 1996.

ADDRESSES: The applications and related documents are available for review in the following offices, by appointment:

Office of Protected Resources, F/PR8, NMFS, 1315 East-West Highway, Silver Spring, MD 20910-3226 (301-713-1401); and

Environmental and Technical Services Division, 525 NE Oregon Street, Suite 500, Portland, OR 97232-4169 (503-230-5400).

Written comments or requests for a public hearing should be submitted to the Chief, Endangered Species Division, Office of Protected Resources.

SUPPLEMENTARY INFORMATION: IDFG requests modifications to permits under the authority of section 10 of the Endangered Species Act of 1973 (ESA) (16 U.S.C. 1531-1543) and the NMFS regulations governing listed fish and wildlife permits (50 CFR parts 217-227).

IDFG (P503A) requests modification 7 to scientific research/enhancement permit 795. Permit 795 authorizes IDFG a take of adult and juvenile, endangered, Snake River sockeye salmon (*Oncorhynchus nerka*) associated with a captive broodstock program. For modification 7, IDFG requests: (1) To release juvenile sockeye progeny of ESA-listed adults into net pens in Redfish Lake, ID from June-October annually and to release those fish from the net pens directly into the lake in October each year; and (2) an increase in the annual number of listed juvenile fish to be captured, handled, tagged with passive integrated transponders, and released during the annual juvenile outmigration. Net pen culture of juvenile presmolts was selected as the

most appropriate release strategy for listed sockeye salmon progeny by the Stanley Basin Technical Oversight Committee. A higher take limit of outmigrating, listed, juvenile sockeye salmon would provide more complete monitoring information and eliminate the need to suspend research if the currently authorized limit is reached. Modification 7 is requested for the duration of the permit. Permit 795 expires on July 31, 1997.

IDFG (P503K) requests modification 1 to permit 908. Permit 908 authorizes an incidental take of endangered Snake River sockeye salmon and threatened Snake River spring/summer chinook salmon associated with IDFG's resident fish-stocking program, designed to increase the supply of fish in the Salmon River and its tributary streams and lakes for sport-angling. For modification 1, IDFG proposes to stock Redfish Lake with catchable-sized hatchery rainbow trout in 1996 to provide recreational fishing in the lake. In 1993 and 1995, NMFS denied IDFG's requests to stock Redfish Lake with rainbow trout because of concerns over possible interactions between stocked rainbow trout and ESA-listed sockeye salmon in the lake, primarily diet overlap and predation. IDFG believes the proposed Redfish Lake stocking scenario would have no impact on the recovery of endangered sockeye salmon since the juvenile sockeye released to the lake in 1996 are proposed to be in net pens when the majority of the rainbow trout are present (see preceding paragraph).

Also for modification 1 to permit 908, IDFG proposes to stock catchable-sized hatchery rainbow trout in Pettit Lake in 1996. In 1995, NMFS authorized IDFG a direct take of juvenile, endangered, Snake River sockeye salmon associated with stocking Pettit Lake with juvenile sockeye salmon from their captive broodstock program approximately three weeks after stocking rainbow trout in the lake (modification 6, permit 795, 60 FR 37052) and required that IDFG implement a specific monitoring plan to assess the interactions between trout and sockeye in the lake (amendment, permit 908, 60 FR 40345). IDFG has sponsored scientific research that has provided evidence which suggests that hatchery rainbow trout releases in Stanley Basin lakes would not undermine endangered sockeye salmon recovery efforts. Modification 1 is requested for 1996 only. Permit 908 expires on December 31, 1998.

IDFG (P503I) requests modification 2 to permit 844. Permit 844 authorizes IDFG an incidental take of adult and juvenile, threatened, Snake River

spring/summer chinook salmon (*Oncorhynchus tshawytscha*) and adult, threatened, Snake River fall chinook salmon (*Oncorhynchus tshawytscha*) associated with the State of Idaho's sport-fishing activities. For modification 2, IDFG requests an incidental take of residual, endangered, Snake River sockeye salmon (*Oncorhynchus nerka*) associated with a kokanee fishery in Redfish Lake from April 1 through August 7, 1996. The fishery is proposed as a kokanee control measure.

A reduction of the kokanee population in Redfish Lake is desirable because kokanee compete directly with ESA-listed sockeye salmon for food and habitat. An abundant kokanee population threatens IDFG's effort to re-establish the endangered sockeye salmon's productivity in the lake. In 1995, NMFS issued modification 1 to permit 844 authorizing IDFG an incidental take of residual, endangered, Snake River sockeye salmon associated with a kokanee fishery in Redfish Lake for 17 days in July as a kokanee control measure (modification 1, permit 844, FR 60 40345). Angler retention of Redfish Lake kokanee was not allowed since 1992 because of the potential incidental harvest of ESA-listed residual sockeye, visually indistinguishable from kokanee. Modification 2 is requested for 1996 only. Permit 844 expires on April 30, 1998.

Those individuals requesting a hearing (see **ADDRESSES**) should set out the specific reasons why a hearing on any of these applications would be appropriate. The holding of such hearing is at the discretion of the Assistant Administrator for Fisheries, NOAA. All statements and opinions contained in these application summaries are those of the applicants and do not necessarily reflect the views of NMFS.

Dated: March 6, 1996.

Ann D. Terbush,

Chief, Permits and Documentation Division,
Office of Protected Resources, National
Marine Fisheries Service.

[FR Doc. 96-5750 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-22-F

Patent and Trademark Office

Notice of Hearings and Request for Comments on Issues Relating to Patent Protection for Nucleic Acid Sequences

AGENCY: Patent and Trademark Office, Commerce.

ACTION: Notice of hearings and request for comments.

SUMMARY: The Patent and Trademark Office (PTO) will hold public hearings, and it requests comments, on issues relating to patent protection for nucleic acid sequences. Interested members of the public are invited to testify at public hearings and to present written comments on any of the topics outlined in the supplementary information section of this notice.

DATES: Public hearings will be held on Tuesday, April 16, 1996, from 9:00 a.m. until 1:00 p.m., and Tuesday, April 23, 1996, from 9:00 a.m. until 1:00 p.m.

Those wishing to present oral testimony at any of the hearings must request an opportunity to do so no later than Friday, April 12, 1996, for the April 16 hearing, or Friday, April 19, 1996, for the April 23 hearing.

Speakers may provide a written copy of their testimony for inclusion in the record of the proceedings no later than Monday, May 6, 1996.

Written comments will be accepted by the PTO until April 23, 1996.

Written comments and transcripts of the hearings will be available for public inspection on or about Monday, May 13, 1996.

ADDRESSES: The April 16 hearings will be held from 9:00 a.m. until 1:00 p.m. at the University of California, San Diego, International Center, 9500 Gilman Drive, La Jolla, California.

The April 23 public hearing will be held from 9:00 a.m. until 1:00 p.m. in Suite 912, Commissioner's Conference Room, Crystal Park Two, 2121 Crystal Drive, Arlington, Virginia.

Requests to testify should be sent to Esther Kepplinger by telephone at (703) 308-2339, by facsimile transmission at (703) 305-3601, or by mail marked to her attention addressed to the Assistant Commissioner for Patents, Box Comments-Patents, Washington, D.C. 20231. No request for oral testimony will be accepted through electronic mail.

Written comments should be addressed to the Assistant Commissioner for Patents, Box Comments-Patents, Washington, D.C. 20231, marked to the attention of Esther Kepplinger. Comments may also be submitted by facsimile transmission at (703) 305-3601, with a confirmation copy mailed to the above address, or by electronic mail over the Internet to sequences@uspto.gov.

Written comments and transcripts of the hearings will be maintained for public inspection in Suite 520 of Crystal Park One, 2111 Crystal Drive, Arlington, Virginia. Transcripts and comments provided in machine readable format will also be available through

anonymous file transfer protocol (ftp) via the Internet (address: sequences@uspto.gov).

FOR FURTHER INFORMATION CONTACT: Esther Kepplinger by telephone at (703) 308-2339, by facsimile transmission at (703) 305-3601, by electronic mail at ekapplin@uspto.gov, or by mail marked to her attention addressed to the Assistant Commissioner for Patents, Box Comments-Patents, Washington, D.C. 20231.

SUPPLEMENTARY INFORMATION:

I. Background

Biotechnology is projected to be an important growth industry from now until well into the twenty-first century, particularly in the United States, which has been a leader in this rapidly developing industry. The PTO has taken a very active role in working together with its customers to simplify and standardize PTO policies and procedures and to encourage and promote the growth of this industry. Nevertheless, PTO needs to continue to seek ways to improve its responsiveness to its customers and to more effectively address the needs of the industry. In order to address both current and future challenges, the PTO is seeking the assistance and advice of the public.

With the growth of the biotechnology industry have come significant changes in the process of research, development and commercialization of biotechnology inventions. For at least a decade, patent applications claiming nucleic acid sequences, such as genes composed of deoxyribonucleic acid ("DNA"), have been examined and granted patent rights by the PTO pursuant to 35 U.S.C. 131. These sequences typically encode known proteins or proteins for which an applicant has discovered a function. Scientific and technological advances have permitted researchers to identify large numbers of gene fragments rapidly. The ease of using automated techniques for sequencing large numbers of random nucleic acid fragments has resulted in the filing of a growing number of patent applications each claiming thousands of nucleic acid sequences. Handling patent applications containing large numbers of sequences creates a significant processing problem for the PTO. While the PTO has acquired sophisticated and costly computer hardware and software necessary to process and search applications containing such sequences, the search and examination of the sequences will significantly overtax the existing system and may necessitate the acquisition of many additional, expensive, massively parallel processor

computers to complete the search of the prior art and examination in a reasonable time. Human resources to analyze the computer search results greatly exceeds the computer time necessary to run the search.

PTO estimates that the computer search time for one hundred sequences, each of which do not exceed several hundred nucleotides in length, is about fifteen hours and the examiner time for evaluating the sequence search results is about sixty-five hours. Based on searching 100,000 sequences a year, the estimated cost for computer search time for one hundred sequences is \$1,800. Although the number of cases involving large numbers of sequences presently before the PTO is relatively small, it is estimated that the cost to search and examine these cases alone will be \$12 million. These estimates represent searches of commercially available databases by a massively parallel processor computer.

As in any technology, the PTO must search the entire scope of the claimed invention. Typical biotechnology patent applications drawn to DNA sequences claim the exact sequence disclosed but include various other broader claims. For example, typical claims include the sequence and any sequence having a certain percentage identity or homology to the sequence or any sequence which hybridizes to the sequence, with or without the conditions of binding being recited. Others recite the sequence or any fragment of the sequence having a particular length of nucleotides. These claims are largely responsible for the lengthy search and evaluation times and the high resultant costs to the PTO. Additionally, the presence of thousands of individual sequences per application represents an enormous search and examination challenge. This is particularly true if the sequences represent different proteins because the search for one sequence provides no useful data for another sequence.

The number of applications with large numbers of nucleic acid sequences continues to grow and, because of technological advances in the identification of genes, it is believed that the growth will continue.

Applications that claim excessively long sequences present similar challenges, since the claimed sequence must be broken up into numerous smaller sequences in order to be searched.

Appropriate policies must be established to address these challenges in ways that help protect the inventions of all applicants without creating an imbalance in the appropriation of resources within and among the

technologies and Examining Groups of the PTO. These policies must permit the timely and thorough examination of all applications which require the same physical and human resources for completion.

II. Issues for Public Comment

Interested members of the public are invited to testify or to present written comments related to the above topics, including the following issues:

1. Is there a more cost-effective way to search and examine applications containing large numbers of sequences or excessively long sequences, in view of the PTO's limited human and computer resources?
2. How should the significantly higher cost associated with searching applications claiming large numbers of sequences or very long sequences be underwritten? For example:
 - (a) By fees from all applications?
 - (b) By fees from the biotechnology industry applications only?
 - (c) By fees from those specific applications involving large numbers of sequences or extraordinarily long sequences?
3. To assist PTO in addressing the described challenges, do you have any specific suggestions which would facilitate the implementation of short-term solutions? Do you have any suggestions on how the PTO can address long-term solutions?

III. Guidelines for Oral Testimony

Individuals wishing to testify at the hearings must adhere to the following guidelines:

1. Requests to testify must include the speaker's name, affiliation, title, phone number, fax number, mailing address, and Internet mail address (if available).
2. Speakers will be provided between seven and fifteen minutes to present their remarks. The exact amount of time allocated per speaker will be determined after the final number of parties testifying has been determined. All efforts will be made to accommodate requests presented before the day of the hearing for additional time for testimony.
3. Requests to testify may be accepted on the date of the hearing if sufficient time is available on the schedule. No one will be permitted to testify without prior approval.

A schedule providing approximate times for testimony will be provided to all speakers the morning of the day of the hearing.

Speakers are advised that the schedule for testimony may be subject to change during the course of the hearings.

IV. Guidelines for Written Comments

Written comments should include the following information:

1. Name and affiliation of the individual responding.
2. If applicable, an indication of whether comments offered represent views of the respondent's organization or are the respondent's personal views.
3. If applicable, information on the respondent's organization, including the type of organization (e.g., business, trade group, university, non-profit organization) and general areas of interest.

Information that is provided pursuant to this notice will be made part of the public record. In view of this, parties should not provide information they do not wish publicly disclosed. Parties who would like to rely on confidential information to illustrate a point being made are requested to summarize or otherwise provide the information in a way that will permit its public disclosure.

Parties offering testimony or written comments should provide their comments in machine readable format, if possible. Such submissions should be provided by electronic mail messages over the Internet, or on a 3.5" floppy disk formatted for use in either a Macintosh or MS-DOS based computer. Machine readable submissions should be provided as unformatted text (e.g., ACSII or plain text), or as formatted text in one of the following file formats: Microsoft Word (Macintosh, DOS or Windows versions) or WordPerfect (Macintosh, DOS or Windows versions).

V. Guidelines for Comments via Internet

Comments received via the Internet should include the same information requested in the guidelines set out for written comments.

VI. Other Information

Questions regarding the facilities and lodging in the La Jolla, California, area should be directed to the University of California, San Diego, Special Events, by telephone at (619) 534-6386, or by fax to (619) 534-0905. Parking permits are required for on-campus parking and may be purchased in advance through the Parking Office or on April 16 at Information booths at the university. Questions regarding parking should be directed to the Special Events Parking Office at (619) 534-9682, or by fax to (619) 534-9685.

Dated: March 6, 1996.

Bruce A. Lehman,

*Assistant Secretary of Commerce and
Commissioner of Patents and Trademarks.*

[FR Doc. 96-5840 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-16-M

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Establishment of Import Restraint Limits for Certain Cotton, Man-Made Fiber, Silk Blend and Other Vegetable Fiber Textile Products Produced or Manufactured in the United Arab Emirates

March 5, 1996.

AGENCY: Committee for the
Implementation of Textile Agreements
(CITA).

ACTION: Issuing a directive to the
Commissioner of Customs establishing
limits.

EFFECTIVE DATE: March 14, 1996.

FOR FURTHER INFORMATION CONTACT:
Janet Heinzen, International Trade
Specialist, Office of Textiles and
Apparel, U.S. Department of Commerce,
(202) 482-4212. For information on the
quota status of these limits, refer to the
Quota Status Reports posted on the
bulletin boards of each Customs port or
call (202) 927-5850. For information on
embargoes and quota re-openings, call
(202) 482-3715.

SUPPLEMENTARY INFORMATION:

Authority: Executive Order 11651 of March
3, 1972, as amended; section 204 of the
Agricultural Act of 1956, as amended (7
U.S.C. 1854).

The Governments of the United States
and the United Arab Emirates agreed to
extend their Bilateral Textile
Agreement, effected by exchange of
notes dated March 29 and July 21, 1994
for two consecutive one-year periods,
beginning on January 1, 1996 and
extending through December 31, 1997.

In the letter published below, the
Chairman of CITA directs the
Commissioner of Customs to establish
limits for the 1996 period. The 1996
levels for Categories 315 and 361 are
zero.

These limits may be subject to
revision pursuant to the Uruguay Round
Agreements Act and the Uruguay Round
Agreement on Textiles and Clothing
(ATC) on the date that the United Arab
Emirates becomes a member of the
World Trade Organization.

A description of the textile and
apparel categories in terms of HTS
numbers is available in the

CORRELATION: Textile and Apparel
Categories with the Harmonized Tariff
Schedule of the United States (see
Federal Register notices 60 FR 65299,
published on December 19, 1995).

The letter to the Commissioner of
Customs and the actions taken pursuant
to it are not designed to implement all
of the provisions of the bilateral
agreement, but are designed to assist
only in the implementation of certain of
its provisions.

Troy H. Cribb,

*Chairman, Committee for the Implementation
of Textile Agreements.*

Committee for the Implementation of Textile
Agreements

March 5, 1996.

Commissioner of Customs,
*Department of the Treasury, Washington, DC
20229.*

Dear Commissioner: Under the terms of
section 204 of the Agricultural Act of 1956,
as amended (7 U.S.C. 1854); pursuant to the
Bilateral Textile Agreement, effected by
exchange of notes dated March 29 and July
21, 1994, as extended, between the
Governments of the United States and the
United Arab Emirates; and in accordance
with the provisions of Executive Order 11651
of March 3, 1972, as amended and extended,
you are directed to prohibit, effective on
March 14, 1996, entry into the United States
for consumption and withdrawal from
warehouse for consumption of cotton, man-
made fiber, silk blend and other vegetable
fiber textiles and textile products in the
following 72 categories, produced or
manufactured in the United Arab Emirates
and exported during the twelve-month
period beginning on January 1, 1996 and
extending through December 31, 1996 in
excess of the following levels of restraint:

Category	Twelve-month restraint limit ¹
219	1,044,065 square me- ters.
226/313	1,785,378 square me- ters.
315	—0—.
317	28,801,787 square meters.
326	1,685,400 square me- ters.
334/634	212,778 dozen.
335/635/835	146,068 dozen.
336/636	184,407 dozen.
338/339	526,271 dozen of which not more than 350,846 dozen shall be in Categories 338-S/339-S ² .
340/640	326,260 dozen.
341/641	285,690 dozen.
342/642	226,964 dozen.

Category	Twelve-month restraint limit ¹
347/348	390,944 dozen of which not more than 195,471 dozen shall be in Categories 347-T/348-T ³ .
351/651	163,130 dozen.
352	300,726 dozen.
361	—0—.
363	5,618,000 numbers.
369-S ⁴	78,204 kilograms.
369-O ⁵	562,442 kilograms.
638/639	212,778 dozen.
647/648	304,982 dozen.
847	191,500 dozen.

¹ The limits have not been adjusted to ac-
count for any imports exported after December
31, 1995.

² Category 338-S: only HTS numbers
6103.22.0050, 6105.10.0010, 6105.10.0030,
6105.90.8010, 6109.10.0027, 6110.20.1025,
6110.20.2040, 6110.20.2065, 6110.90.9068,
6112.11.0030 and 6114.20.0005; Category
339-S: only HTS numbers 6104.22.0060,
6104.29.2049, 6106.10.0010, 6106.10.0030,
6106.90.2510, 6106.90.3010, 6109.10.0070,
6110.20.1030, 6110.20.2045, 6110.20.2075,
6110.90.9070, 6112.11.0040, 6114.20.0010
and 6117.90.9020.

³ Category 347-T: only HTS numbers
6103.19.2015, 6103.19.9020, 6103.22.0030,
6103.42.1020, 6103.42.1040, 6103.49.8010,
6112.11.0050, 6113.00.9038, 6203.19.1020,
6203.19.9020, 6203.22.3020, 6203.42.4005,
6203.42.4010, 6203.42.4015, 6203.42.4025,
6203.42.4035, 6203.42.4045, 6203.49.8020,
6210.40.9033, 6211.20.1520, 6211.20.3810
and 6211.32.0040; Category 348-T: only HTS
numbers 6104.12.0030, 6104.19.8030,
6104.22.0040, 6104.29.2034, 6104.62.2010,
6104.62.2025, 6104.69.8022, 6112.11.0060,
6113.00.9042, 6117.90.9060, 6204.12.0030,
6204.19.8030, 6204.22.3040, 6204.29.4034,
6204.62.3000, 6204.62.4005, 6204.62.4010,
6204.62.4020, 6204.62.4030, 6204.62.4040,
6204.62.4050, 6204.69.6010, 6304.69.9010,
6210.50.9060, 6211.20.1550, 6211.20.6810,
6211.42.0030 and 6217.90.9050.

⁴ Category 369-S: only HTS number
6307.10.2005.

⁵ Category 369-O: all HTS numbers except
6307.10.2005 (Category 369-S).

Imports charged to these category limits for
the period beginning January 1, 1995 and
extending through December 31, 1995 shall
be charged against those levels of restraint to
the extent of any unfilled balances. In the
event the limits established for that period
have been exhausted by previous entries,
such goods shall be subject to the levels set
forth in this directive.

Should the United Arab Emirates become
a member of the World Trade Organization
(WTO), the limits set forth above will be
subject to adjustment in the future pursuant
to the provisions of the Uruguay Round
Agreements Act, the Uruguay Round
Agreement on Textiles and Clothing and any
administrative arrangements notified to the
Textiles Monitoring Body.

In carrying out the above directions, the
Commissioner of Customs should construe
entry into the United States for consumption
to include entry for consumption into the
Commonwealth of Puerto Rico.

The Committee for the Implementation of Textile Agreements has determined that these actions fall within the foreign affairs exception of the rulemaking provisions of 5 U.S.C. 553(a)(1).

Sincerely,

Troy H. Cribb,

Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 96-5753 Filed 3-11-96; 8:45 am]

BILLING CODE 3510-DR-F

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[FAR Case 93-002]

Submission for OMB Review Entitled Past Performance Information

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for public comments.

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat has submitted to the Office of Management and Budget (OMB) a request to review and approve a new information collection requirement on an existing collection in use without a FAR OMB control number concerning Past Performance Information (FAR case 93-002). This request is pursuant to the emergency processing provisions of the Paperwork Reduction Act of 1995 (Public Law 104-13).

DATES: *Comment Due Date:* May 13, 1996.

ADDRESSES: Comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, should be submitted to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, FAR Secretariat, 18th & F Streets, NW., Room 4037, Washington, DC 20405. Please cite FAR case 93-002, Past Performance Information, in all correspondence.

FOR FURTHER INFORMATION CONTACT: Ms. Linda Klein, Office of Federal Acquisition Policy, GSA (202) 501-3775.

SUPPLEMENTARY INFORMATION:

A. Purpose

Past performance information is relevant information, for future source selection purposes, regarding a contractor's actions under previously awarded contracts. When past performance is to be evaluated, the rule states that the solicitation shall afford offerors the opportunity to identify Federal, state and local government, and private contracts performed by offerors that were similar in nature to the contract being evaluated.

B. Annual Reporting Burden

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The annual reporting burden is estimated as follows: Respondents 150,000; responses per respondent, 4; total annual responses, 600,000; preparation hours per response, 2; and total response burden hours, 1,200,000.

OBTAINING COPIES OF JUSTIFICATIONS:

Requester may obtain copies of justifications from the General Services Administration, FAR Secretariat (MVRs), Room 4037, Washington, DC 20405, telephone (202) 501-4755. Please cite FAR case 93-002, Past Performance Information, in all correspondence.

Dated: March 6, 1996.

Beverly Fayson,

FAR Secretariat.

[FR Doc. 96-5781 Filed 3-11-96; 8:45 am]

BILLING CODE 6820-EP-M

DEPARTMENT OF DEFENSE

Department of the Army

Army Science Board; Notice of Closed Meeting

In accordance with Section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), announcement is made of the following Committee Meeting:

Name of Committee: Army Science Board (ASB)

Dates of Meeting: 11-12 March 1996

Place: Los Angeles Air Force Base, California

Agenda: The Army Science Board's (ASB) Summer Study on "Unmanned Aerial Vehicles (UAVs)" will meet for briefings and discussions on the Army's Concept of Employment for UAVs and view UAV training operations. This meeting will be closed to the public in accordance with Section 522b(c) of Title 5, U.S.C., specifically paragraph (1) thereof, and Title 5, U.S.C., Appendix 2, subsection 10(d). The classified

and unclassified matters to be discussed are so inextricably intertwined so as to preclude opening any portion of this meeting. For further information, please contact Michelle Diaz at (703) 695-0781.

Michelle P. Diaz,

Acting Administrative Officer, Army Science Board.

[FR Doc. 96-5906 Filed 3-11-96; 8:45 am]

BILLING CODE 3710-08-M

Department of the Navy

Notice of Request for Extension of Information Collection for Current and Projected Unit Prices for Equipment, Materials, and Professional Services for U.S. Navy Vessels Available for Public Comment

SUMMARY: Current and Projected Unit Prices for Equipment, Materials, and Professional Services for U.S. Navy Vessels; Survey is required to obtain data from shipbuilding industry and DoD supportive businesses in order to analyze changes in prices for designated equipment, material, and services. The resulting information will be furnished to the Naval Sea Systems Command for inclusion in its annual publication of POM-Year cost guidance as well as to DoD's "Production Base Information System."

In compliance with Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the NAVSEA Shipbuilding Support Office announces a proposed information collection and seeks public comment on the provisions thereof. Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed information collection; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the information collection on respondents, including the use of automated collection techniques or other forms of information technology.

ADDRESSES: Written comments and recommendations on the proposed collection should be sent to Director, NAVSEA Shipbuilding Support Office, Robert Laarkamp (Code 2940), Building 712, Philadelphia, PA 19112-5087.

DATES: Consideration will be given to all comments received within 60 days of the date of publication of this notice.

Affected Public: Businesses or other for profit, small businesses or

organizations, and Federal Agencies or employees.

Annual Burden Hours (including recordkeeping): 800.

Number of Respondents: 1,600.

Responses per Respondent: 1.

Average Burden per Response: 30 minutes.

Frequency: Annual.

FOR FURTHER INFORMATION CONTACT: To request more information on this proposed information collection or to obtain a copy of the proposal and associated collection instruments, please write to the above address or call Mr. Laarkamp, (215) 897-3161.

Dated: March 1, 1996.

M.D. Schetzslle,

Lt, JAGC, USNR, Alternate Federal Register Liaison Officer.

[FR Doc. 96-5838 Filed 3-11-96; 8:45 am]

BILLING CODE 3810-FF-P

Chief of Naval Operations (CNO) Executive Panel; Closed Meeting

Pursuant to the provisions of the Federal Advisory Committee Act (5 U.S.C. App. 2), notice is hereby given that the Chief of Naval Operations (CNO) Executive Panel will meet 11 April 1996 from 10:00 a.m. to 11:30 a.m. at the office of the Chief of Naval Operations, 2000 Navy Pentagon, Washington, DC 20350-2000. This session will be closed to the public.

The purpose of this meeting is to conduct the mid-term briefing of the Naval Warfare Innovations Task Force to the Chief of Naval Operations. These matters constitute classified information that is specifically authorized by Executive order to be kept secret in the interest of national defense and are, in fact, properly classified pursuant to such Executive Order. Accordingly, the Secretary of the Navy has determined in writing that the public interest requires that all sessions of the meeting be closed to the public because they will be concerned with matters listed in section 552b (c) (1) of title 5, United States Code.

For further information concerning this meeting contact: Janice Graham, Assistant for CNO Executive Panel Management, 4401 Ford Avenue, Suite 601, Alexandria, Virginia 22302-0268, Telephone Number: (703) 681-6205.

Dated: March 1, 1996

M. D. Schetzslle,

Lt, JAGC, USNR, Alternate Federal Register Liaison Officer.

[FR Doc. 96-5835 Filed 3-11-96; 8:45 am]

BILLING CODE 3810-FF-P

Board of Advisors to the Superintendent, Naval Postgraduate School; Meeting

Pursuant to the provisions of the Federal Advisory Committee Act (5 U.S.C. app.), notice is hereby given that the Board of Advisors to the Superintendent, Naval Postgraduate School, Monterey, California, will meet on 5-6 June, 1996, in Herrmann Hall (Bldg 220) at the School. All sessions will be open to the public.

The purpose of the meeting is to elicit the advice of the board on the Navy's Postgraduate Education Program. The board examines the effectiveness with which the Naval Postgraduate School is accomplishing its mission. To this end, the board will inquire into the curricula; instruction; physical equipment; administration; state of morale of the student body, faculty, and staff; fiscal affairs; and any other matters relating to the operation of the Naval Postgraduate School as the board considers pertinent.

For further information concerning this meeting, contact: Ms. Jan Kleinschmidt, Naval Postgraduate School, Monterey, California, 93943-5000, Telephone: (408) 656-2512.

Dated: March 1, 1996

M. D. Schetzslle,

Lt, JAGC, USNR, Alternate Federal Register Liaison Officer.

[FR Doc. 96-5836 Filed 3-11-96; 8:45 am]

BILLING CODE 3810-FF-P

DEPARTMENT OF EDUCATION

[CFDA No.: 84.246C]

Braille Training Program; Notice Inviting Applications for New Awards for Fiscal Year (FY) 1996

Purpose of Program: To pay all or part of the cost of training in the use of braille for personnel providing vocational rehabilitation services or educational services to youth and adults who are blind. This program will provide support to establish or to continue projects that develop braille training materials and provide in-service or pre-service training in the use of braille and methods of teaching braille.

Eligible Applicants: State agencies and public or nonprofit agencies and organizations, including institutions of higher education.

Supplementary Information: The Braille Training Program is authorized under Title VIII of the Rehabilitation Act as 1973, as amended (the Act) (29 U.S.C. 797b).

Deadline for Transmittal of Applications: April 30, 1996.

Deadline for Intergovernmental Review: July 1, 1996.

Applications Available: March 28, 1996.

Available Funds: \$175,000.

Estimated Number of Awards: 1.

Note: The Department is not bound by any estimates in this notice.

Project Period: Up to 36 months.

Applicable Regulations: The Education Department General Administrative Regulations (EDGAR) in 34 CFR Parts 74, 75, 77, 79, 80, 81, 82, 85, and 86.

Statutory Requirements: The statutory requirements in section 21(b)(6), section 302(a) (4) and (5), section 302(b)(1)(A), section 302(c), section 302(g) (1) and (2), section 302(h), section 302(i), section 306, and section 803(b) of the Rehabilitation Act of 1973, as amended, apply to this program.

Selection Criteria: In evaluating applications for grants under this competition, the Secretary uses the EDGAR selection criteria in 34 CFR 75.210.

The regulations in 34 CFR 75.210 provide that the Secretary may award up to 100 points for the selection criteria, including a reserved 15 points. For this competition, the Secretary distributes the additional 15 points as follows:

Plan of operation (34 CFR 75.210(b)(3)). Fifteen points are added to this criterion for a possible total of 30 points.

FOR APPLICATIONS OR INFORMATION

CONTACT: Beverly Steburg, U.S. Department of Education, Region IV, RSA, P.O. Box 1691, Atlanta, Georgia 30301-1691. Telephone: (404) 331-0530. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

Information about the Department's funding opportunities, including copies of application notices for discretionary grant competitions, can be viewed on the Department's electronic bulletin board (ED Board), telephone (202) 260-9950; on the Internet Gopher Server at GOPHER.ED.GOV (under announcements, Bulletin, and Press Releases); or on the World Wide Web at <http://www.ed.gov/money.html>. However, the official application notice for a discretionary grant competition is the notice published in the Federal Register.

Program Authority: 29 U.S.C. 774.

Dated: March 6, 1996.
 Judith E. Heumann,
*Assistant Secretary for Special Education and
 Rehabilitative Services.*
 [FR Doc. 96-5839 Filed 3-11-96; 8:45 am]
 BILLING CODE 4000-01-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. TM96-3-48-000]

ANR Pipeline Company; Notice of Proposed Changes in FERC Gas Tariff

March 6, 1996.

Take notice that on March 1, 1996, ANR Pipeline Company (ANR) tendered for filing as part of its FERC Gas Tariff, Second Revised Volume No. 1, the following revised tariff sheets, to be effective April 1, 1996:

Fifth Revised Sheet No. 19
 Fourth Revised Sheet No. 92
 Original Sheet No. 92A

ANR states that the purpose of this filing is to comply with the annual redetermination of the levels of ANR's Transporters Use (%) as required by ANR's currently effective tariff, to become effective April 1, 1996.

In addition, ANR proposes changes to the General Terms and Conditions of its tariff, Section 1.68, to conform to Section 154.402 of the Commission's regulations.

The result of this redetermination is an overall increase in the fuel use percentages that comprise ANR's fuel matrix applicable to transportation service on its transmission facilities.

ANR states that all of its Volume No. 1 and Volume No. 2 customers and interested State Commissions have been mailed a copy of this filing.

Any person desiring to be heard or to protest this filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with 18 CFR 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to

intervene. Copies of this filing are on file in the Public Reference Room.

Lois D. Cashell,
Secretary.
 [FR Doc. 96-5787 Filed 3-11-96; 8:45 am]
 BILLING CODE 6717-01-M

[Docket No. TM96-5-32-000]

Colorado Interstate Gas Company; Notice of Tariff Filing

March 6, 1996.

Take notice that on March 1, 1996, Colorado Interstate Gas Company (CIG) filed Sixteenth Revised Sheet No. 11 of its FERC Gas Tariff, First Revised Volume No. 1, reflecting an increase in the fuel reimbursement percentage for Lost, Unaccounted-For and Other Fuel Gas from (0.76%) to 0.11% effective April 1, 1996.

CIG states that copies of this filing have been served on CIG's jurisdictional customers and public bodies.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.211 and 385.214 of the Commission's Rules of Practice and Procedure (18 CFR Sections 385.214 and 385.211). All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Lois D. Cashell,
Secretary.
 [FR Doc. 96-5788 Filed 3-11-96; 8:45 am]
 BILLING CODE 6717-01-M

[Docket No. RP95-408-007]

Columbia Gas Transmission Corporation; Notice of Compliance Filing

March 6, 1996.

Take notice that on February 29, 1996, Columbia Gas Transmission Corporation (Columbia) tendered for filing to become part of its FERC Gas Tariff, Second Revised Volume No. 1, the following revised tariff sheets, bearing a proposed effective date of March 1, 1996:

First Revised Sheet No. 106 *
 Third Revised Sheet No. 171
 First Revised Sheet No. 195 *
 First Revised Sheet No. 280
 Second Revised Sheet No. 281
 Second Revised Sheet No. 282
 Second Revised Sheet No. 355
 Second Revised Sheet No. 373
 Second Revised Sheet No. 374
 First Revised Sheet No. 385 *
 Third Revised Sheet No. 448
 Third Revised Sheet No. 449
 Fourth Revised Sheet No. 480
 Second Revised Sheet No. 481

Columbia states that the purpose of this filing is to comply with the Commission's February 16, 1996, "Order Following Technical Conference" (74 FERC ¶ 61,160) concerning various tariff changes proposed by Columbia in its August 1, 1995 rate filing and addressed at an October 17, 1995 technical conference.

Columbia states that the tariff sheets submitted herewith and those previously filed (as listed above) reflect the tariff changes approved and the additional changes recommended in the order. In addition, Columbia states that it will comply with the order's requirement to provide for a separately stated gathering retainage rate. However, given the need to make certain billing and administrative changes to adjust for the prospective implementation of this change, Columbia is proposing to implement the actual collection of retainage for gathering effective April 1, 1996. This implementation is reflected in Columbia's annual March 1, 1996 RAM filing to be effective April 1, 1996 on Third Revised Sheet No. 44 submitted therewith.

Columbia states that copies of its filing is being sent by first-class mail, postage prepaid, by Columbia to each of Columbia's firm customers, affected state commissions, interruptible customers that have made a standing request for such service and to each of the parties set forth on the Official Service List in this proceeding.

Any person desiring to protest said filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the

* Previously submitted in Appendix B of Columbia's August 1, 1995 rate filing initiating this docket.

Commission and are available for public inspection in the Public Reference Room.

Lois D. Cashell,
Secretary.

[FR Doc. 96-5791 Filed 3-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. GT96-49-000]

Mid Louisiana Gas Co.; Notice of Proposed Changes in FERC Gas Tariff

March 6, 1996.

Take notice that on February 29, 1996, Mid Louisiana Gas Company (Mid Louisiana) tendered for filing to become part of its FERC Gas Tariff, Third Revised Volume No. 1, the following tariff sheets to be effective March 1, 1996:

First Revised Sheet No. 284
First Revised Sheet No. 285
First Revised Sheet No. 286
First Revised Sheet No. 287
First Revised Sheet No. 288

Mid Louisiana states that the purpose of the filing of the Revised Tariff Sheets is to bring Mid Louisiana Gas Company into compliance with Section 154.111, Index of customers; Section 284.106, Reporting requirements and Section 284.223(b), Reporting requirements of the Commission's regulations (18 CFR 154.111, 18 CFR 284.106 and 18 CFR 284.223).

Pursuant to Section 154.7(d) of the Commission's Regulations, Mid Louisiana respectfully requests waiver of § 154.207, Notice requirements, as well as any other requirement of the Regulations in order to permit the tendered tariff sheets to become effective March 1, 1996, as submitted.

Mid Louisiana states that, in compliance with § 154.208, paper copies of the Revised Tariff Pages and this filing were served upon its jurisdictional customers and appropriate state regulatory agencies.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with 18 CFR 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the

Commission and are available for public inspection in the Public Reference Room.

Lois D. Cashell,
Secretary.

[FR Doc. 96-5795 Filed 3-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. CP96-224-000]

National Fuel Gas Supply Corp.; Notice of Application

March 6, 1996.

Take notice that on March 1, 1996, National Fuel Gas Supply Corporation (National Fuel), 10 Lafayette Square, Buffalo, New York 14203, filed an application with the Commission in Docket No. CP96-224-000 pursuant to Section 7(b) of the Natural Gas Act (NGA) for permission and approval to partially abandon a storage service to Colonial Gas Company (Colonial) which was authorized in Docket No. CP76-492-037,¹ all as more fully set forth in the application which is open to the public for inspection.

National Fuel proposes to partially abandon, effective April 1, 1996, the storage service it provides to Colonial under National Fuel's FERC Rate Schedule SS-1. National Fuel states that Colonial wishes to reduce its annual contract entitlement from 2,000,000 Mcf to 1,098,350 Mcf. National Fuel also states that the balance of Colonial's annual entitlement, or 901,650 Mcf, would be converted to 150-day storage service under National Fuel's Rate Schedule FSS, and related firm transportation under National Fuel's Rate Schedule FST, both provided under Part 284 of the Commission's Regulations. National Fuel further states that Colonial and National Fuel have agreed to extend the primary term of their agreements to March 31, 1998.

Any person desiring to be heard or to make any protest with reference to said application should on or before March 18, 1996, file with the Federal Energy Regulatory Commission, Washington, D.C. 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing

therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Energy Regulatory Commission by Sections 7 and 15 of the NGA and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on this application if no motion to intervene is filed within the time required here in, if the Commission on its own review of the matter finds that permission and approval for the proposed abandonment are required by the public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for National Fuel to appear or be represented at the hearing.

Lois D. Cashell,
Secretary.

[FR Doc. 96-5799 Filed 3-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. RP95-326-000 and RP95-242-000]

Natural Gas Pipeline Company of America; Notice of Informal Settlement Conference

March 6, 1996.

Take notice that an informal settlement conference will be convened in these proceedings on Wednesday, March 13, 1996, at 10:00 a.m., at the offices of the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, DC 20426, for the purpose of exploring the possible settlement of the issues in the above-referenced proceedings.

Any party, as defined by 18 CFR 385.102(c), or any participant, as defined by 18 CFR 385.102(b), is invited to attend. Persons wishing to become a party must move to intervene and receive intervenor status pursuant to the Commission's regulations (18 CFR 385.214).

For additional information, please contact David R. Cain at (202) 208-0917 or John P. Roddy at (202) 208-0053.

Lois D. Cashell,
Secretary.

[FR Doc. 96-5793 Filed 3-11-96; 8:45 am]

BILLING CODE 6717-01-M

¹ 38 FERC ¶61,135 (1987).

[Docket No. RP96-167-000]**NorAm Gas Transmission Company; Notice of Proposed Changes in FERC Gas Tariff**

March 6, 1996.

Take notice that on March 1, 1996, NorAm Gas Transmission Company (NGT) tendered for filing to become part of its FERC Gas Tariff, Fourth Revised Volume No. 1, the following revised tariff sheet to become effective April 1, 1996:

Fifth Revised Sheet No. 13

NGT states that the revised tariff sheet is filed in compliance with the Stipulation and Agreement ("Settlement") approved by Commission order in Docket No. RP91-49-004 on March 31, 1992. *Arkla Energy Resources, a division of Arkla, Inc.*, 58 FERC ¶ 61,359 (1992).

Pursuant to the Settlement, NGT is making its fourth annual filing, which proposes to continue the subject CSC Charge at \$0.03.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 214 and 211 of the Commission's Rules of Practice and Procedure (18 CFR 385.214, 385.211). All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Secretary.

[FR Doc. 96-5790 Filed 3-11-96; 8:45 am]

BILLING CODE 6717-01-M

Pacific Gas Transmission Co.; Notice of Change in FERC Gas Tariff**[Docket No. MT96-8-000]**

March 6, 1996.

Take notice that on March 1, 1996, Pacific Gas Transmission Company (PGT) tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1-A, the following tariff sheet, to become effective April 1, 1996:

Second Revised Sheet No. 52.

PGT states that the tariff sheet which it is submitting reflect the addition of

Hermiston Generating Company, L.P. as a PGT affiliate.

PGT further states it has served a copy of this filing upon all interested state regulatory agencies and PGT's jurisdictional customers.

Any person desiring to be heard or protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules of Practice and Procedure. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Lois D. Cashell,

Secretary.

[FR Doc. 96-5794 Filed 3-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. RP96-168-000 and MT96-9-000]**Questar Pipeline Company; Notice of Tariff Filing**

March 6, 1996.

Take notice that on March 1, 1996, Questar Pipeline Company, (Questar) pursuant to 18 CFR 154.7, and in compliance with the Commission's February 28, 1996, Order Authorizing Abandonment and Determining Jurisdictional Status of Facilities, (the February 28 order) in Docket No. CP95-650, tendered for filing and acceptance to be effective March 1, 1996, First Revised Sheet No. 2, Second Revised Sheet Nos. 7 and 96, Original Sheet No. 96A to First Revised Volume No. 1 and Sixteenth Revised Sheet No. 8 to Original Volume No. 3 of its FERC Gas Tariff.

Questar states that these tariff sheets (1) revise the preliminary statement and statements of rates to reflect the transfer of Questar's gathering facilities and services to Questar Gas Management Company (QGM), Questar's affiliated gathering company and (2) implement standards of conduct as required by the February 28 order.

Questar states that a copy of this filing has been served upon its customers and the Utah and Wyoming public service commissions.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 385.211 and 385.214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Secretary.

[FR Doc. 96-5789 Filed 3-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP95-396-008]**Tennessee Gas Pipeline Company; Notice of Proposed Changes in FERC Gas Tariff**

March 6, 1996.

Take notice that on February 29, 1996, Tennessee Gas Pipeline Company (Tennessee) tendered for filing as part of its FERC Gas Tariff, Fifth Revised Volume No. 1, the following tariff sheets, to become effective February 17, 1996.

Substitute First Revised Sheet No. 314A
Substitute First Revised Sheet No. 314B

Tennessee states that it is filing the proposed changes to comply with the Commission's February 14, 1996 Letter Order in the above-referenced docket, which required Tennessee to conform Sheet Nos. 314A and 314B to comply with Commission-approved changes that became effective on January 1, 1996. Tennessee further states that the tendered tariff sheets do not effect any substantive change to the Stipulation and Agreement filed on July 25, 1996.

Any person desiring to protest this filing should file a protest to the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public

inspection in the Public Reference Room.

Lois D. Cashell,
Secretary.

[FR Doc. 96-5792 Filed 3-11-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. CP96-189-000]

Columbia Gas Transmission Corporation; Notice of Intent To Prepare an Environmental Assessment for the Proposed Line VM-108 Replacement Project and Request for Comments on Environmental Issues

March 6, 1996.

The staff of the Federal Energy Regulatory Commission (FERC or Commission) will prepare an environmental assessment (EA) that will discuss the environmental impacts of the construction and operation of the facilities proposed in the Line VM-108 Replacement Project.¹ This EA will be used by the Commission in its decision-making process to determine whether an environmental impact statement is necessary and whether to approve the project.

Summary of the Proposed Project

Columbia Gas Transmission Corporation (Columbia) wants to replace 7.3 miles of 12-inch-diameter pipeline, known as Line VM-108, with 7.3 miles of 20-inch-diameter pipeline in Prince George and Sussex Counties, Virginia. Columbia determined that 6.3 miles of the existing Line VM-108 have deteriorated and need to be replaced. Columbia also received a request from an existing customer, Virginia Natural Gas Company (VNG), to shift a delivery point. By replacing the 6.3 miles of deteriorated pipeline and extending the replacement an additional mile, Columbia can reassign 28,525 decatherms per day of natural gas from its Newport News No. 1 Gate Station to its Norfolk Gate Station to accommodate VNG's request.

The general location of the project facilities is shown in appendix 1.²

Land Requirements for Construction

Construction of the proposed facilities would affect about 75.4 acres of land,

including 31.0 acres of temporary right-of-way. Following construction, 44.4 acres of land on existing right-of-way would be required for operation of the facilities. No new permanent right-of-way is required for the project.

The EA Process

The National Environmental Policy Act (NEPA) requires the Commission to take into account the environmental impacts that could result from an action whenever it considers the issuance of a Certificate of Public Convenience and Necessity. NEPA also requires us to discover and address concerns the public may have about proposals. We call this "scoping". The main goal of the scoping process is to focus the analysis in the EA on the important environmental issues. By this Notice of Intent, the Commission requests public comments on the scope of the issues it will address in the EA. All comments received are considered during the preparation of the EA. State and local government representatives are encouraged to notify their constituents of this proposed action and encourage them to comment on their areas of concern.

The EA will discuss impacts that could occur as a result of the construction and operation of the proposed project under these general headings:

- Geology and soils
- Water resources, fisheries, and wetlands
- Vegetation and wildlife
- Endangered and threatened species
- Public safety
- Land use
- Cultural resources
- Air quality and noise
- Hazardous waste

We will also evaluate possible alternatives to the proposed project or portions of the project, and make recommendations on how to lessen or avoid impacts on the various resource areas.

Our independent analysis of the issues will be in the EA. Depending on the comments received during the scoping process, the EA may be published and mailed to Federal, State, and local agencies, public interest groups, interested individuals, affected landowners, newspapers, libraries, and the Commission's official service list for this proceeding. A comment period will be allotted for review if the EA is published. We will consider all comments on the EA before we recommend that the Commission approve or not approve the project.

Currently Identified Environmental Issues.

We have already identified issues that we think deserve attention based on a preliminary review of the proposed facilities and the environmental information provided by Columbia. Keep in mind that this is a preliminary list:

- Five perennial and seven intermittent streams would be crossed.
- Thirteen wetlands totalling about 9.5 acres would be affected.
- Two bird species, two fish species and two plant species that are rare or sensitive in Virginia are in the vicinity of the project area.
- Three residences are within 50 feet, and four domestic water wells are within 150 feet of the construction right-of-way.
- The project would cross or be near cultural resources.

The list of issues may be added to, subtracted from, or changed based on your comments and our analysis.

Public Participation

You can make a difference by sending a letter addressing your specific comments or concerns about the project. You should focus on the potential environmental effects of the proposal, alternatives to the proposal, and measures to avoid or lessen environmental impact. The more specific your comments, the more useful they will be. Please follow the instructions below to ensure that your comments are received and properly recorded:

- Address your letter to: Lois Cashell, Secretary, Federal Energy Regulatory Commission, 888 First St., N.E., Washington, D.C. 20426;
- Reference Docket No. CP96-189-000;
- Send a copy of your letter to: Mr. Jeff Shenot, EA Project Manager, Federal Energy Regulatory Commission, 888 First St., N.E., PR-11.2, Washington, D.C. 20426; and
- Mail your comments so that they will be received in Washington, D.C. on or before April 12, 1996.

If you wish to receive a copy of the EA, you should request one from Mr. Shenot at the above address.

Becoming an Intervenor

In addition to involvement in the EA scoping process, you may want to become an official party to the proceeding or become an "intervenor". Among other things, intervenors have the right to receive copies of case-related Commission documents and filings by other intervenors. Likewise, each intervenor must provide copies of

¹ Columbia Gas Transmission Corporation's application was filed with the Commission under Section 7 of the Natural Gas Act and Part 157 of the Commission's regulations.

² The appendices referenced in this notice are not being printed in the Federal Register. Copies are available from the Commission's Public Reference and Files Maintenance Branch, 888 First Street, N.E., Washington, D.C. 20426, or call (202) 208-1371. Copies of the appendices were sent to all those receiving this notice in the mail.

its filings to all other parties. If you want to become an intervenor you must file a motion to intervene according to Rule 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.214) (see appendix 2).

You do not need intervenor status to have your scoping comments considered.

Additional information about the proposed project is available from Mr. Jeff Shenot, EA Project Manager, at (202) 219-0295.

Lois D. Cashell,

Secretary.

[FR Doc. 96-5786 Filed 3-11-96; 8:45 am]

BILLING CODE 6717-01-M

ENVIRONMENTAL PROTECTION AGENCY

[FRL-5440-1]

Science Advisory Board Emergency Notification of Public Advisory Committee Meeting

Emergency notification of this meeting is being made due to late publication of this notice due to Federal Budgetary exigencies. Information concerning this meeting, originally planned for January 9-10, 1996, was previously published in 60 FR 55573, dated November 1, 1995.

Pursuant to the Federal Advisory Committee Act, Public Law 92-463, notice is hereby given that the Drinking Water Committee (DWC) of the Science Advisory Board (SAB) will meet Tuesday, March 19, 1996 and Wednesday March 20, 1996 at the One Washington Circle Hotel, One Washington Circle, NW., Washington, DC 20037. Hotel Telephone: (202) 872-1680 or 1-800-424-9671. The meeting will convene at 9:00 am both days and end no later than 3 pm on March 20th. All times noted are Eastern Time. This meeting is open to the public. Due to limited space, seating at the meeting will be on a first-come basis. Documents that are the subject of SAB reviews are normally available from the originating EPA office and are *not* available from the SAB Office.

The purpose of the meeting is to review the Environmental Protection Agency's Five-Year Research Plan for Disinfection Byproducts. Please see previous FR notice at 60 FR 55573, dated November 1, 1995 for further information. Presentations will be made by representatives from the Agency's Office of Research and Development (ORD). Background documents to be provided for this review are available from the program office and not the

Science Advisory Board. These documents include: (a) Draft Report on EPA's 5 year research plan to support DBP related rules (and its Appendices); and (b) Federal Register Notices of proposed D/DBP rule, Enhanced Surface Water Treatment Rule (ESTWR), and Information Collection Rule (ICR).

The charge to the Drinking Water Committee is as follows: (a) Has EPA identified the correct issues that need to be addressed to support the development of the Enhanced Surface Water Treatment Rule and Stage 2 Disinfectants/Disinfection Byproducts rule? (b) Do the research topic areas underway or envisioned under the five year research plan appear to adequately address the issues? Should any other research topic area be funded in lieu of that which is ongoing or planned? © Has EPA given appropriate priorities to the order by which research is to be conducted?

Single copies of the U.S. EPA review materials provided to the Committee may be obtained from Ms Gail Robarge, U.S. Environmental Protection Agency, Office of Research and Development (8105), 401 M Street, SW., Washington, D.C. 20460; Telephone: (202) 260-9101. Copies of these documents are NOT available from the Science Advisory Board Staff.

Members of the public desiring additional information about the meeting, including an agenda, should contact Mr. A. Robert Flaak, Designated Federal Official, Drinking Water Committee, Science Advisory Board (1400F), US EPA, 401 M Street, SW., Washington DC 20460, by telephone at (202) 260-5133, fax at (202) 260-7118, or via The INTERNET at: FLAAK.ROBERT@EPAMAIL.EPA.GOV.

Members of the public wishing to make an oral presentation at the meeting should contact Mr. Flaak no later than noon, Tuesday, March 12, 1996. The request should identify the name of the individual who will make the presentation, requirements for audio visual equipment (e.g., overhead projector, 35mm projector, chalk board, etc), and an outline of the issues to be addressed. At least 35 copies of the presentation and 35 copies of the visual aids used at the meeting are to be given to Mr. Flaak no later than the time of the presentation for distribution to the Committee and the interested public. See below for additional information on providing comments to the SAB.

Providing Oral or Written Comments at SAB Meetings

The Science Advisory Board expects that public statements presented at its meetings will not be repetitive of

previously submitted oral or written statements. In general, each individual or group making an oral presentation will be limited to a total time of ten minutes. Written comments (at least 35 copies) received in the SAB Staff Office sufficiently prior to a meeting date, may be mailed to the relevant SAB committee or subcommittee prior to its meeting; comments received too close to the meeting date will normally be provided to the committee at its meeting. Written comments may be provided to the relevant committee or subcommittee up until the time of the meeting.

Dated: March 5, 1996.

Donald G. Barnes,

Staff Director, Science Advisory Board.

[FR Doc. 96-5984 Filed 3-11-96; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL COMMUNICATIONS COMMISSION

Notice of Public Information Collections Being Reviewed by FCC For Extension Under Delegated Authority 5 CFR 1320 Authority, Comments Requested

March 5, 1996.

SUMMARY: The Federal Communications Commission, as part of its continuing effort to reduce paperwork burden invites the general public and other Federal agencies to take this opportunity to comment on the following proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13. Comments are requested concerning (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology. The FCC is reviewing the following information collection requirements for possible 3-year extension under delegated authority 5 CFR 1320, authority delegated to the Commission by the Office of Management and Budget (OMB).

DATES: Written comments should be submitted on or before May 13, 1996. If you anticipate that

you will be submitting comments, but find it difficult to do so within the period of time allowed by this notice, you should advise the contact listed below as soon as possible.

ADDRESS: Direct all comments to Dorothy Conway, Federal Communications, Room 234, 1919 M St., NW., Washington, DC 20554 or via internet to dconway@fcc.gov.

FOR FURTHER INFORMATION CONTACT: For additional information or copies of the information collections contact Dorothy Conway at 202-418-0217 or via internet at dconway@fcc.gov.

SUPPLEMENTARY INFORMATION:

OMB Approval Number: 3060-0443.

Title: Conditional Temporary Authorization to Operate a Part 90 Radio Station.

Form No.: FCC 572C.

Type of Review: Extension of a currently approved collection.

Respondents: Businesses or other for-profit; Individuals or households; State or Local Governments; Non-profit institutions.

Number of Recordkeepers: 17,023.

Estimated Time Per Response: 6 minutes (.10).

Total Annual Burden: 1,702 hours.

Needs and Uses: FCC Rules require that applicants complete FCC Form 572C if they wish to have immediate authorization to operate 2-way radio equipment in Part 90 radio services below 470 MHz or in the 929-930 MHz band. This form is required by the Communications Act of 1934, as amended; International Treaties and FCC Rules 47 CFR Parts 1.922, and 90.159. The Commission intends to change the reference to Form 574 to Form 600 on the form.

Federal Communications Commission.

William F. Caton,

Acting Secretary.

[FR Doc. 96-5763 Filed 3-11-96; 8:45 am]

BILLING CODE 6712-01-F

FEDERAL MARITIME COMMISSION

[Docket No. 96-06]

River Parishes Company, Inc., v. Ormet Primary Aluminum Corporation; Notice of Filing of Complaint and Assignment

Notice is given that the complaint filed by River Parishes Company, Inc. ("Complainant") against Ormet Primary Aluminum Corporation ("Respondent") was served March 6, 1996. Complainant alleges that Respondent has violated sections 10(b) (11) and (12) and 10(d) (1) and (3) of the Shipping Act of 1916, 46 U.S.C. app. 1709(b) (11) and (12) and (d)

(1) and (3), by entering into an exclusive towing arrangement and denying other tug companies the right to bring their customers' vessels or any other vessels into the Burnside Terminal on the Mississippi River.

This proceeding has been assigned to the office of Administrative Law Judges. Hearing in this matter, if any is held, shall commence within the time limitations prescribed in 46 CFR 502.61, and only after consideration has been given by the parties and the presiding officer to the use of alternative forms of dispute resolution. The hearing shall include oral testimony and cross-examination in the discretion of the presiding officer only upon proper showing that there are genuine issues of material fact that cannot be resolved on the basis of sworn statements, affidavits, depositions, or other documents or that the nature of the matter in issue is such that an oral hearing and cross-examination are necessary for the development of an adequate record. Pursuant to the further terms of 46 CFR 502.61, the initial decision of the presiding officer in this proceeding shall be issued by March 6, 1997, and the final decision of the Commission shall be issued by July 7, 1997.

Ronald D. Murphy,

Assistant Secretary.

[FR Doc. 96-5806 Filed 3-11-96; 8:45 am]

BILLING CODE 6730-01-M

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. § 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. § 1842(c)). If the proposal also involves the acquisition of

a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act, including whether the acquisition of the nonbanking company can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices" (12 U.S.C. § 1843). Any request for a hearing must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than April 5, 1996.

A. Federal Reserve Bank of Philadelphia (Michael E. Collins, Senior Vice President) 100 North 6th Street, Philadelphia, Pennsylvania 19105:

1. BT Financial Corporation,

Johnstown, Pennsylvania; to acquire 100 percent of the voting shares of The Armstrong County Trust Company, Kittanning, Pennsylvania.

2. Execufirst Bancorp, Inc.,

Philadelphia, Pennsylvania; to merge with Republic Bancorporation, Inc., Philadelphia, Pennsylvania, and thereby indirectly acquire Republic Bank, Philadelphia, Pennsylvania.

B. Federal Reserve Bank of

Richmond (Lloyd W. Bostian, Jr., Senior Vice President) 701 East Byrd Street, Richmond, Virginia 23261:

1. Beach First National Bancshares,

Inc., Myrtle Beach, South Carolina; to become a bank holding company by acquiring 100 percent of the voting shares of Beach First National Bank, Myrtle Beach, South Carolina (a *de novo* bank).

C. Federal Reserve Bank of

Minneapolis (James M. Lyon, Vice President) 250 Marquette Avenue, Minneapolis, Minnesota 55480:

1. Am-First Financial Corporation,

Madison, South Dakota; to become a bank holding company by acquiring 100 percent of the voting shares of American Federal Bank, Madison, South Dakota, a federal savings bank, to be converted to a state chartered bank to be known as

Madison State Bank, Madison, South Dakota.

In connection with this application, Applicant, also has applied to merge with Farmers and Merchants Investment Co., Omaha, Nebraska. Following the merger, Am-First Financial Corporation will change its name to Spectrum Bancorporation, Inc.

In addition with these applications, Farmers and Merchants Investment Co., Omaha, Nebraska, will acquire 100 percent of the voting shares of Am-First Financial Corporation, Madison, South Dakota, a thrift holding company which has also applied to become a bank holding company.

D. Federal Reserve Bank of Dallas (Genie D. Short, Vice President) 2200 North Pearl Street, Dallas, Texas 75201-2272:

1. *West Texas National Bancshares, Inc.*, Lockney, Texas, and Lockney Holding Company, Wilmington, Delaware; to acquire 100 percent of the voting shares of Silvertown Bancshares, Inc., Silvertown, Texas, and thereby indirectly acquire First State Bank, Silvertown, Texas.

Board of Governors of the Federal Reserve System, March 6, 1996.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 96-5798 Filed 3-11-96; 8:45 am]

BILLING CODE 6210-01-F

Notice of Proposals To Engage in Permissible Nonbanking Activities or To Acquire Companies That are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. § 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to commence or to engage *de novo*, or to acquire or control voting securities or assets of a company that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.25 of Regulation Y (12 CFR 225.25) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. Once the notice has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the

BHC Act, including whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices" (12 U.S.C. § 1843). Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than March 26, 1996.

A. Federal Reserve Bank of Philadelphia (Michael E. Collins, Senior Vice President) 100 North 6th Street, Philadelphia, Pennsylvania 19105:

1. *BT Financial Corporation*, Johnstown, Pennsylvania; to acquire Moxham Community Development Corporation, Johnstown, Pennsylvania, and thereby engage in community development activities, pursuant to § 225.25(b)(6) of the Board's Regulation Y.

B. Federal Reserve Bank of Minneapolis (James M. Lyon, Vice President) 250 Marquette Avenue, Minneapolis, Minnesota 55480:

1. *Norwest Corporation*, Minneapolis, Minnesota; to acquire certain assets of The Prudential Home Mortgage Company, Inc., Clayton, Missouri, and thereby engage in mortgage servicing activities and the origination of mortgage loans, pursuant to § 225.25(b)(1) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, March 6, 1996.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 96-5799 Filed 3-11-96; 8:45 am]

BILLING CODE 6210-01-F

Agency information collection activities: Submission to OMB Under Delegated Authority

Background

Notice is hereby given of the final approval of a proposed information collection by the Board of Governors of the Federal Reserve System (Board) under OMB delegated authority, as per 5 C.F.R. 1320.16 (OMB Regulations on

Controlling Paperwork Burdens on the Public). The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

FOR FURTHER INFORMATION CONTACT:

Federal Reserve Board Clearance

Officer—Mary M. McLaughlin—
Division of Research and Statistics,
Board of Governors of the Federal
Reserve System, Washington, DC
20551 (202-452-3829)

OMB Desk Officer—Milo Sunderhauf—
Office of Information and Regulatory
Affairs, Office of Management and
Budget, New Executive Office
Building, Room 3208, Washington,
DC 20503 (202-395-7340)

Final approval under OMB delegated authority of the extension, with revision, of the following report:

1. *Report title:* Report of Condition for Foreign Subsidiaries of U.S. Banking Organizations and Financial Information for Foreign Subsidiaries of U.S. Banking Organizations
Agency form number: FR 2314a, b and c

OMB Control number: 7100-0073

Frequency: Quarterly and annually

Reporters: Foreign subsidiaries of U.S. banks, bank holding companies, and Edge and agreement corporations

Annual reporting hours: 5,459

Estimated average hours per response: 1.5 to 10.5

Number of respondents: 1,165

Small businesses are not affected.

General description of report: This information collection is mandatory [12 U.S.C. 324, 602, 625, and 1844(c)] and is given confidential treatment [5 U.S.C. 552(b)(4) and (b)(8)].

Abstract: The FR 2314 reports collect information annually from all direct or indirect foreign subsidiaries of U.S. member banks, bank holding companies, and Edge or agreement corporations. The FR 2314a collects information on assets, liabilities, contingent liabilities, and eleven supporting schedules, including income and expenses. The FR 2314b collects the same information on assets, liabilities, contingent liabilities, and income and expenses. The FR 2314c collects information on total assets, equity capital, off-balance-sheet items, and net income. Subsidiaries with significant asset size or volume of foreign exchange trading report the FR 2314a quarterly.

The data are used to monitor the growth and activities of the subsidiaries and to supervise the overall operation of the parent organization. The approved revisions will make the FR 2314 reports

more consistent with the parent organizations' reports of condition and income and will improve the Federal Reserve's surveillance of overseas banking operations. The revised reports will be effective as of the March 31, 1996, reporting date.

The Board approved several changes to the FR 2314a and FR 2314b reports, summarized as follows.

(1) Revisions to the reporting criteria for filing the FR 2314a and the FR 2314b. Currently subsidiaries file the FR 2314a quarterly if they have total assets of at least \$2 billion or commitments to purchase foreign currencies and U.S. dollar exchange of at least \$5 billion. The instruction will be revised to include subsidiaries that have at least \$5 billion in off-balance-sheet activity measured by the sum of commitments to purchase foreign currencies and U.S. dollar exchange, all other futures and forwards contracts, written option contracts, purchased option contracts, notional value of interest rate swaps, notional value of exchange swaps, and the notional value of other swaps. In addition the reporting criteria for filing the FR 2314a on an annual basis will be raised to include respondents with total assets greater than \$250 million, up from \$100 million. Subsidiaries with total assets of \$50 million or more but not more than \$250 million will file the FR 2314b.

(2) Additions to allow for compliance with Financial Accounting Board (FASB) Statement No. 115. Subsidiaries will report a new schedule for securities that will provide information on available-for-sale securities and held-to-maturity securities, and new items to collect information on the net unrealized holding gains (losses) on available-for-sale securities and information on the change in net unrealized holding gains (losses) in available-for-sale securities.

(3) Additions to allow for compliance with FASB Interpretation Number (FIN)

39. Subsidiaries will report new items for

- (a) trading liabilities,
- (b) assets held in trading accounts, and
- (c) revaluation gains on interest rate, foreign exchange rate, and other commodity and equity contracts.

(4) Additions to capture income from trading account activity. Subsidiaries will report new items for

- (a) interest income and dividends from assets held in trading accounts, and
- (b) gains (losses) and fees from trading assets and liabilities.

(5) Deletions of selected items.

Subsidiaries will no longer report separately the items for

- (a) dividends on stock,
- (b) cash dividends declared reported on Schedule I, and
- (c) net retained income. Dividends on stock will be added to the item for interest on bonds, notes, and debentures.

Board of Governors of the Federal Reserve System, March 6, 1996.

William W. Wiles,

Secretary of the Board.

[FR Doc. 96-5754 Filed 3-11-96; 8:45AM]

Billing Code 6210-01-F

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Board of Governors of the Federal Reserve System.

TIME AND DATE: 11:00 a.m., Monday, March 18, 1996.

PLACE: Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, N.W., Washington, D.C. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.

2. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION:

Mr. Joseph R. Coyne, Assistant to the Board; (202) 452-3204. You may call (202) 452-3207, beginning at approximately 5 p.m. two business days before this meeting, for a recorded announcement of bank and bank holding company applications scheduled for the meeting.

Dated: March 8, 1996.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 96-6032 Filed 3-8-96; 2:42 pm]

BILLING CODE 6210-01-P

FEDERAL TRADE COMMISSION

Granting of Request for Early Termination of the Waiting Period Under the Premerger Notification Rules

Section 7A of the Clayton Act, 15 U.S.C. § 18a, as added by Title II of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, requires persons contemplating certain mergers or acquisitions to give the Federal Trade Commission and the Assistant Attorney General advance notice and to wait designated periods before consummation of such plans. Section 7A(b)(2) of the Act permits the agencies, in individual cases, to terminate this waiting period prior to its expiration and requires that notice of this action be published in the Federal Register.

The following transactions were granted early termination of the waiting period provided by law and the premerger notification rules. The grants were made by the Federal Trade Commission and the Assistant Attorney General for the Antitrust Division of the Department of Justice. Neither agency intends to take any action with respect to these proposed acquisitions during the applicable waiting period.

TRANSACTIONS GRANTED EARLY TERMINATION BETWEEN: 021296 AND 022396

Name of acquiring person; name of acquired person; name of acquired entity	PMN No.	Date terminated
Honeywell Inc., General Signal Corporation, Leeds & Northrup Company	96-0693	02/12/96
ConAgra, Inc., Meridian Products, Inc., Gulf Meridian, Inc. and Atlantic Meridian, Inc.	96-0933	02/12/96
Henry Schein, Inc., Fred Salzman, Becker Parkin Dental Supply Co., Inc.	96-0947	02/12/96
Fiberite Holdings, Inc., Hercules Incorporated, HISPAN Corporation	96-0953	02/12/96
United Services Automobile Association, Meridian Industrial Trust, Inc., Meridian Industrial Trust, Inc.	96-0961	02/12/96
CKE Restaurants, Inc., Summit Family Restaurants Inc., Summit Family Restaurants Inc.	96-0978	02/12/96
Shaw Industries Ltd., Newco-U.S., Newco-U.S.	96-0881	02/13/96
Dresser Industries, Inc., Newco-U.S., Newco-U.S.	96-0882	02/13/96
Carlisle Companies Incorporated Michael Wilkinson, Intero, Inc. and Unique Wheel, Inc.	96-0932	02/13/96
Kjell I. Rokke (a Bahamian person), BOCHICA Partners, Birthing Fisheries, Inc.	96-0986	02/13/96
Sonat, Inc., Pennzoil Company, Pennzoil Exploration and Production Company	96-0998	02/13/96
Zell/Chilmark Fund, L.P., John T. Lynch, Noble Broadcast of San Diego, Inc./Sports Radio, Inc.	96-1005	02/13/96
Welsh, Carson, Anderson & Stowe VII, L.P., AmComp Incorporated, AmComp Incorporated	96-0838	02/14/96

TRANSACTIONS GRANTED EARLY TERMINATION BETWEEN: 021296 AND 022396—Continued

Name of acquiring person; name of acquired person; name of acquired entity	PMN No.	Date terminated
Whitehall Street Real Estate Limited Partnership V, RCPI Holdings Inc. (a Newco), RCPI Holdings Inc.	96-0895	02/14/96
Checkfree Corporation, Welsh, Carson, Anderson & Stowe VI, L.P., Servantis Systems Holdings, Inc.	96-0896	02/14/96
Welsh, Carson, Anderson & Stowe VI, L.P., Checkfree Corporation, Checkfree Corporation	96-0897	02/14/96
EXOR Group S.A., RCPI Holdings, Inc. (a Newco), RCPI Holdings, Inc.	96-0906	02/14/96
Thermo Electron Corporation, Rhone Poulenc S.A., the Scientific Instruments Division of Fisons plc	96-0958	02/14/96
Colony Investors II, L.P., ONKD, Inc., ONKD, Inc.	96-0987	02/14/96
Finaxa, Cursitor Holdings Limited, Cursitor Holdings Limited	96-1008	02/14/96
Finaxa, Cursitor Holdings, L.P., Cursitor Holdings, L.P.	96-1009	02/14/96
Litton Industries, Inc., The Black & Decker Corporation PRC Inc.	96-0672	02/15/96
Amoco Corporation, Pennzoil Company, Pennzoil Exploration and Production Company	96-0996	02/16/96
Protective Life Corporation, SunAmerica Inc., CalFarm Life Insurance Company	96-1001	02/16/96
Sisters of Providence, Sacred Heart Province, Holy Cross Health System Corp., Holy Cross Medical Center ...	96-1007	02/16/96
Robert M. Solmson, General Electric Company, Doubletree Corporation	96-1011	02/16/96
General Electric Company, RFS Hotel Investors, Inc., RFS Hotel Investors, Inc.	96-1012	02/16/96
General Electric Company, RFS, Inc., RFS, Inc.	96-1013	02/16/96
Mr. and Mrs. Henry M. Rowan, Mr. Francis Bricmont, Bricmont, Inc.	96-1014	02/16/96
Leggett & Platt Incorporated, A.J. Gerrard & Company, Gerrard Wire Products Co. and Gerrard Bag Co.	96-1019	02/16/96
Mr. E. Watson, U.S. Office Products Company, U.S. Office Products Company	96-1034	02/16/96
MCN Corporation, Tenneco Inc., Tenneco Mobile Bay Gathering Company	96-1035	02/16/96
Clyde Petroleum plc, USX Corporation, Marathon Petroleum Indonesia, Ltd.	96-1047	02/16/96
McDonald's Corporation, James W. Pihos, Beaver Dam-33, Inc. et al.	96-1064	02/16/96
AccuStaff Incorporated, Joseph R. White, Additional Technical Support, Inc.	96-1006	02/20/96
American Homestar Corporation, Guerdon Holdings, Inc., Guerdon Holdings, Inc.	96-1042	02/20/96
ADC Telecommunications, Inc., ITS Corporation, ITS Corporation	96-1045	02/20/96
Mitchell P. Rales, PAR Broadcasting Company, Inc., PAR Broadcasting Company, Inc.	96-1049	02/20/96
Steven M. Rales, PAR Broadcasting Company, Inc., PAR Broadcasting Company, Inc.	96-1050	02/20/96
Eric A. Rothner, Genesis Health Ventures, Inc., Genesis Health Ventures of Indiana, Inc. and Hallmark H	96-842	02/21/96
Richard S. Crawford, GenCorp Inc., GenCorp Inc.	96-1054	02/21/96
Johnson Matthey PLC (a British company), Cray Research, Inc., Cray Research, Inc.	96-1058	02/21/96
Countrymark Cooperative, Inc., Project Explorer Corporation, Project Explorer Corporation	96-0966	02/22/96
Senior High Income Portfolio, Inc., Senior Strategic Income Fund, Inc., Senior Strategic Income Fund, Inc.	96-0988	02/22/96
Senior High Income Portfolio, Inc., Senior High Income Portfolio II, Inc., Senior High Income Portfolio II, Inc. ...	96-0989	02/22/96
Alco Standard Corporation, Steven G. Eiferf, Global Services, Inc.	96-1046	02/22/96
Big Flower Press Holdings, Inc., Webcraft Technologies, Inc., Webcraft Technologies, Inc.	96-1052	02/22/96
Olympus Real Estate Fund, L.P., Huron Pacific Limited Partnership, Hotel Pacific Limited Partnership	96-1075	02/22/96
Total Renal Care Holding, Inc., Caremark International Inc., Caremark Inc., Caremark Physician Services Inc.,	96-0908	02/23/96
ACX Technologies, Inc., Gravure Packaging, Inc., Gravure Packaging, Inc.	96-0931	02/23/96
K-III Communications Corporation, First American Capital, C.V., Infobase Holdings, Inc.	96-1044	02/23/96
Republic Industries, Inc., Mid-American Waste Systems, Inc., Mid-American Waste Systems of Georgia, Inc.,		
Newcorp En	96-1069	02/23/96
Robert G. Brown, ADVO, Inc., Marketing Force, Inc. and ADVO	96-1070	02/23/96

FOR FURTHER INFORMATION CONTACT:

Sandra M. Peay or Renee A. Horton,
Contact Representatives, Federal Trade
Commission, Premerger Notification
Office, Bureau of Competition, Room
303, Washington, D.C. 20580, (202) 326-
3100.

By Direction of the Commission.

Donald S. Clark,
Secretary.

[FR Doc. 96-5873 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Dkt. C-3598]

**APM Enterprises—Minn Inc.;
Prohibited Trade Practices, and
Affirmative Corrective Actions**

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In settlement of alleged
violations of federal law prohibiting
unfair acts and practices and unfair

methods of competition, this consent
order requires, among other things, a
video dating service franchise to
properly and accurately disclose the
annual percentage rate (APR) and other
credit terms of financed memberships,
as required by the federal Truth in
Lending Act, and requires the franchise
to establish adjustment refund programs
to compensate its past and current
members who overpaid finance charges.
DATES: Complaint and Order issued
August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT:
Stephen Cohen, FTC/S-4429,
Washington, D.C. 20580. (202) 326-
3222.

SUPPLEMENTARY INFORMATION: On
Monday, June 5, 1995, there was
published in the Federal Register, 60 FR

¹ Copies of the Complaint and the Decision and
Order are available from the Commission's Public
Reference Branch, H-130, 6th Street & Pennsylvania
Avenue, N.W., Washington, D.C. 20580.

29598, a proposed consent agreement
with analysis In the Matter of APM
Enterprises—Minn Inc., for the purpose
of soliciting public comment. Interested
parties were given sixty (60) days in
which to submit comments, suggestions
or objections regarding the proposed
form of the order.

No comments having been received,
the Commission has ordered the
issuance of the complaint in the form
contemplated by the agreement, made
its jurisdictional findings and entered
an order to cease and desist, as set forth
in the proposed consent agreement, in
disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret
or apply sec. 5, 38 Stat. 719, as amended; 82
Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5874 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Docket No. C-3599]

G.E.C.H., Inc.; Prohibited Trade Practices, and Affirmative Corrective Actions

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, a video dating service franchise to properly and accurately disclose the annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act, and requires the franchise to establish adjustment refund programs to compensate its past and current members who overpaid finance charges.

DATES: Complaint and Order issued August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429, Washington, D.C. 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register, 60 FR 29603, a proposed consent agreement with analysis In the Matter of G.E.C.H., Inc., for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5875 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Dkt No. C-3604]

Great Expectations Creative Management, Inc., et al.; Prohibited Trade Practices, and Affirmative Corrective Actions

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, the franchisor of video dating services and its four franchises to properly and accurately disclose the annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act and requires the franchises to establish adjustment refund programs to compensate its past and current members who overpaid and were misled by the undisclosed finance charges and APRs. In addition, the consent order prohibits the respondents from providing franchises contracts with pre-printed APRs.

DATES: Complaint and Order issued August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429, Washington, DC 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register, 60 FR 29605, a proposed consent agreement with analysis In the Matter of Great Expectations Creative Management, Inc., et al., for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5880 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Dkt. C-3600]

Great Expectations of Baltimore, Inc., et al.; Prohibited Trade Practices, and Affirmative Corrective Actions

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, the video dating service franchises to properly and accurately disclose the annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act, and requires the franchises to establish adjustment refund programs to compensate their past and current members who overpaid finance charges.

DATES: Complaint and Order issued August 1, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429, Washington, D.C. 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register, 60 FR 29608, a proposed consent agreement with analysis In the Matter of Great Expectations of Baltimore, Inc., et al., for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5876 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Dkt C-3605]

Great Expectations of Columbus, Inc.; Prohibited Trade Practices, and Affirmative Corrective Actions

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, a video dating service franchise to properly and accurately disclose the

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20580.

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue NW., Washington, DC 20580.

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20580.

annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act, and requires the franchise to establish adjustment refund programs to compensate its past and current members who overpaid finance charges.

DATES: Complaint and Order issued August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429, Washington, D.C. 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register, 60 FR 29611, a proposed consent agreement with analysis In the Matter of Great Expectations of Columbus, Inc., for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5881 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Dkt. C-3606]

**Great Southern Video, Inc., et al.,
Prohibited Trade Practices, and
Affirmative Corrective Actions**

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, the video dating service franchises to properly and accurately disclose the annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act, and requires the franchises to establish adjustment refund programs to compensate its past and current members who overpaid finance charges.

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20580.

DATES: Complaint and Order issued August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429, Washington, D.C. 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register, 60 FR 29613, a proposed consent agreement with analysis In the Matter of Great Southern Video, Inc., et al., for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5882 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Dkt. C-3607]

**JAMS Financial, Inc.; Prohibited Trade
Practices, and Affirmative Corrective
Actions**

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, a video dating service franchise to properly and accurately disclose the annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act, and requires the franchise to establish adjustment refund programs to compensate its past and current members who overpaid finance charges.

DATES: Complaint and Order issued August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429,

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20580.

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20580.

Washington, D.C. 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register, 60 FR 29615, a proposed consent agreement with analysis In the Matter of JAMS Financial, Inc., for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5883 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Docket No. C-3601]

**KGE, Inc.; Prohibited Trade Practices,
and Affirmative Corrective Actions**

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In the settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, a video dating service franchise to properly and accurately disclose the annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act, and requires the franchise to establish adjustment refund programs to compensate its past and current members who overpaid finance charges.

DATES: Complaint and Order issued August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429, Washington, DC 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register, 60 FR 29618, a proposed consent agreement with analysis In the Matter of KGE, Inc., for the purpose of soliciting public comment. Interested parties were given

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20580.

sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5877 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Dkt. C-3608]

San Antonio Singles of Texas, Inc., et al.; Prohibited Trade Practices, and Affirmative Corrective Actions

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, the video dating services franchises to properly and accurately disclose the annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act, and requires the franchises to establish adjustment refund programs to compensate its past and current members who overpaid finance charges.

DATES: Complaint and Order issued August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429, Washington, D.C. 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register 60 FR 29620, a proposed consent agreement with analysis In the Matter of San Antonio Singles of Texas, Inc., et al., for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the issuance of the complaint in the form

contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5884 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Dkt. C-3609]

Sterling Connections, Inc., et al.; Prohibited Trade Practices, and Affirmative Corrective Actions

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, the video dating service franchises to properly and accurately disclose the annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act, and requires the franchises to establish adjustment refund programs to compensate its past and current members who overpaid finance charges.

DATES: Complaint and Order issued August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429, Washington, D.C. 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register, 60 FR 29622, a proposed consent agreement with analysis In the Matter of Sterling Connections, Inc., et al., for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5895 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

[Docket C-3602]

TRIAAC Enterprises, Inc.; Prohibited Trade Practices, and Affirmative Corrective Actions

AGENCY: Federal Trade Commission.

ACTION: Consent Order.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, a video dating service franchise to properly and accurately disclose the annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act, and requires the franchise to establish adjustment refund programs to compensate its past and current members who overpaid finance charges.

DATES: Complaint and Order issued August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429, Washington, D.C. 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register, 60 FR 29625, a proposed consent agreement with analysis In the Matter of TRIAAC Enterprises, Inc., for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5878 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20580.

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20580.

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20580.

[Dkt. C-3603]

V.L.P. Enterprises, Inc.; Prohibited Trade Practices, and Affirmative Corrective Actions**AGENCY:** Federal Trade Commission.**ACTION:** Consent Order.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order requires, among other things, a video dating service franchise to properly and accurately disclose the annual percentage rate (APR) and other credit terms of financed memberships, as required by the federal Truth in Lending Act, and requires the franchise to establish adjustment refund programs to compensate its past and current members who overpaid finance charges.

DATES: Complaint and Order issued August 11, 1995.¹

FOR FURTHER INFORMATION CONTACT: Stephen Cohen, FTC/S-4429, Washington, D.C. 20580. (202) 326-3222.

SUPPLEMENTARY INFORMATION: On Monday, June 5, 1995, there was published in the Federal Register, 60 FR 29627, a proposed consent agreement with analysis In the Matter of V.L.P. Enterprises, Inc., for the purpose of soliciting public comment. Interested parties were given sixty (60) days in which to submit comments, suggestions or objections regarding the proposed form of the order.

No comments having been received, the Commission has ordered the

issuance of the complaint in the form contemplated by the agreement, made its jurisdictional findings and entered an order to cease and desist, as set forth in the proposed consent agreement, in disposition of this proceeding.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601, *et seq.*)

Donald S. Clark,

Secretary.

[FR Doc. 96-5879 Filed 3-11-96; 8:45 am]

BILLING CODE 6750-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES**Centers for Disease Control and Prevention**

[INFO-96-11]

Proposed Data Collections Submitted for Public Comment and Recommendations

In compliance with the requirement of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 for opportunity for public comment on proposed data collection projects, the Centers for Disease Control and Prevention (CDC) will publish periodic summaries of proposed projects. To request more information on the proposed projects or to obtain a copy of the data collection plans and instruments, call the CDC Reports Clearance Officer on (404) 639-3453.

Comments are invited on: (a) Whether the proposed collection of information

is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques for other forms of information technology. Send comments to Wilma Johnson, CDC Reports Clearance Officer, 1600 Clifton Road, MS-D24, Atlanta, GA 30333. Written comments should be received within 60 days of this notice.

Proposed Projects

1. Tuberculosis in Children—New—The Centers for Disease Control and Prevention, National Center for HIV, STD, and TB Prevention, Division of Tuberculosis Elimination, Surveillance Epidemiologic Investigations Branch will be conducting a study for the purpose of performing research concerning the epidemiology of TB in children, including children co-infected with the human immunodeficiency virus (HIV). The study will involve the following modules: 1) the epidemiology, magnitude and risk factors for TB in children, including HIV-infected children; 2) studies of the diagnosis of TB in children, and 3) reducing the risk of nosocomial transmission of TB in pediatric settings. The total cost to respondents and government is estimated at \$138,000.

Respondents	No. of respondents	No. of responses/respondent	Avg. burden/re-sponse (in hrs.)	Total burden (in hrs.)
Positive Tuberculin Skin Testing Form	100	1	0.33	33
Negative Tuberculin Skin Testing Form	200	1	0.33	66
Total .....	.....	.....	.....	99

Dated: March 6, 1996.

Wilma G. Johnson,

Acting Associate Director for Policy Planning and Evaluation, Centers for Disease Control and Prevention (CDC).

[FR Doc. 96-5802 Filed 3-11-96; 8:45 am]

BILLING CODE 4163-18-P

Administration for Children and Families**Proposed Collection; Comment Request****Proposed Project(s)**

Title: ACF Uniform Discretionary Grant Application Form.

OMB No.: New Request, Not applicable.

Description: ACF has more than forty discretionary grant programs. The proposed information collection form would be a uniform discretionary application form usable for all of these

grant programs to collect the information from grant applicants needed to evaluate and rank applicants and protect the integrity of the grantee selection process. All ACF discretionary grant programs would be eligible but not required to use this application form. The application consists of general information and instructions; the Standard Form 424 series that requests basic information, budget information and assurances; the Program Narrative

¹ Copies of the Complaint and the Decision and Order are available from the Commission's Public Reference Branch, H-130, 6th Street & Pennsylvania Avenue, N.W., Washington, D.C. 20580.

requesting the applicant to describe how these objectives will be reached; and certifications. Guidance for the content

of information requested in the Program Narrative is found in OMB Circulars A-102 and A-110.

Respondents: Applicants for ACF Discretionary Grant Programs.

ANNUAL BURDEN ESTIMATES

Instrument	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
Application form	4,127	1	4	16,688

Estimated Total Annual Burden Hours: 16,688

In compliance with the requirements of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Administration for Children and Families is soliciting public comment on the specific aspects of the information collection described above. Copies of the proposed collection of information can be obtained and comments may be forwarded by FAX to (202) 260-3305 or by writing to The Administration for Children and Families, Office of Information Services, Division of Information Resource Management Services, 370 L'Enfant Promenade SW., Washington, DC 20447, Attn: ACF Reports Clearance Officer. All requests should be identifiable by title.

In addition, requests may be made to the Reports Clearance Officer by sending an Internet e-mail message to rkatson@cf.dhhs.gov. Electronic comments must be submitted as an ASCII file without special characters or encryption.

Comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted within 60 days of this publication.

Dated: March 1, 1996.

Roberta Katson,

Director, Division of Information Resource Management Services.

[FR Doc. 96-5828 Filed 3-11-96; 8:45 am]

BILLING CODE 4184-01-M

Food and Drug Administration

[Docket No. 96N-0055]

Animal Drug Export; NUFLOR® (Florfenicol)

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing that Schering-Plough Animal Health, Schering-Plough Corp., has filed an application requesting approval for export of the animal drug NUFLOR® (florfenicol) injectable solution for cattle to Canada.

ADDRESSES: Relevant information on this application may be directed to the Dockets Management Branch (HFA-305), Food and Drug Administration, 12420 Parklawn Dr., rm. 1-23, Rockville, MD 20857, and to the contact person identified below. Any future inquiries concerning the export of food animal drugs under the Drug Export Amendments Act of 1986 should also be directed to the contact person.

FOR FURTHER INFORMATION CONTACT: Thomas J. McKay, Center for Veterinary Medicine (HFV-102), Food and Drug Administration, 7500 Standish Pl., Rockville, MD 20855, 301-827-0213.

SUPPLEMENTARY INFORMATION: The drug export provisions in section 802 of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 382) provide that FDA may approve applications for the export of drugs that are not currently approved in the United States. Section 802(b)(3)(B) of the act sets forth the requirements that must be met in an application for approval. Section 802(b)(3)(C) of the act requires that the agency review the application within 30 days of its filing to determine whether the requirements of section 802(b)(3)(B) have been satisfied. Section 802(b)(3)(A) of the act requires that the agency publish a notice in the Federal Register within 10 days of the filing of an application for export to facilitate public participation in its review of the

application. To meet this requirement, the agency is providing notice that Schering-Plough Animal Health, Schering-Plough Corp., P.O. Box 529, Kenilworth, NJ 07033, has filed application number 4366 requesting approval for export of the animal drug NUFLOR® (florfenicol) injectable solution for cattle to Canada. The product is intended for intramuscular use in beef and non-lactating dairy cattle for treatment of bovine respiratory disease (shipping fever) associated with *Pasteurella hemolytica*, *P. multocida*, and *Haemophilus somnus*. The application was received and filed in the Center for Veterinary Medicine on February 15, 1996, which shall be considered the filing date for purposes of the act.

Interested persons may submit relevant information on the application to the Dockets Management Branch (address above) in two copies (except that individuals may submit single copies) and identified with the docket number found in brackets in the heading of this document. These submissions may be seen in the Dockets Management Branch between 9 a.m. and 4 p.m., Monday through Friday.

The agency encourages any person who submits relevant information on the application to do so by March 22, 1996, and to provide an additional copy of the submission directly to the contact person identified above, to facilitate consideration of the information during the 30-day review period.

This notice is issued under the Federal Food, Drug, and Cosmetic Act (sec. 802 (21 U.S.C. 382)) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 5.10) and redelegated to the Center for Veterinary Medicine (21 CFR 5.44).

Dated: February 29, 1996.

Robert C. Livingston,

Director, Office of New Animal Drug Evaluation, Center for Veterinary Medicine.

[FR Doc. 96-5747 Filed 3-11-96; 8:45 am]

BILLING CODE 4160-01-F

[Docket No. 96N-0074]**Sperti Drug Products, Inc., et al.;
Proposal To Withdraw Approval of 41
New Drug Applications; Opportunity
for Hearing****AGENCY:** Food and Drug Administration,
HHS.**ACTION:** Notice.**SUMMARY:** The Food and Drug
Administration (FDA) is offering an
opportunity for a hearing on the
agency's proposal to withdraw approval
of 41 new drug applications (NDA's).
The basis for the proposal is that thesponsors have repeatedly failed to file
required annual reports for these NDA's.**DATES:** Written requests for a hearing are
due by April 11, 1996; data and
information in support of the hearing
request are due by May 13, 1996.**ADDRESSES:** Requests for a hearing,
supporting data, and other comments
should be identified with Docket No.
96N-0074, and submitted to the Dockets
Management Branch (HFA-305), Food
and Drug Administration, 12420
Parklawn Dr., rm. 1-23, Rockville, MD
20857.**FOR FURTHER INFORMATION CONTACT:** Lola
E. Batson, Center for Drug Evaluationand Research (HFD-7), Food and Drug
Administration, 7500 Standish Pl.,
Rockville, MD 20855, 301-594-1038.**SUPPLEMENTARY INFORMATION:** The
holders of approved applications to
market new drugs or antibiotic drugs for
human use are required to submit
annual reports to FDA concerning each
of their approved applications in
accordance with § 314.81 (21 CFR
314.81). The holders of the NDA's listed
in the table below have failed to submit
the required annual reports, and have
not responded to the agency's requests
by certified mail for submission of the
reports.

NDA no.	Drug	Applicant
4-749	Bio-Dyne Ointment	Sperti Drug Products, Inc.
8-532	Nicodrin Tablets	Gold Leaf Division, Ormont Drug and Chemical Co., Inc.
8-685	Puran Tablets	Pure Laboratories Inc.
8-891	Buffered Parasi-INH & INH 20 Tablets	Panray Division, Ormont Drug and Chemical Co., Inc.
10-353	Parasal-Potassium Tablets	Do.
11-902	Hematainer	Courtland Laboratories.
12-432	Meprobamate Tablets	Gyma Labs.
12-435	Nitrofurantoin Tablets	Do.
12-513	Pertranquil (Meprobamate) Tablets	Philadelphia Pharmaceutical and Cosmetic Co.
12-866	Meprobamate Tablets	Riverton Laboratories.
12-984	Secret Cream Deodorant	The Procter and Gamble Co.
14-344	Meprobamate Tablets	Bryant Pharmaceutical, Corp.
14-364	Meprobamate Tablets	Bates Laboratories, Inc.
14-365	Meprobamate Tablets	Philadelphia Laboratories, Inc.
14-367	Meprobamate Tablets	American Pharmaceutical Co. Inc.
14-368	Meprobamate Tablets	MK Laboratories, Inc.
14-509	Meprobamate Tablets	Chase Chemical Co.
14-511	Meprobamate Tablets	Davis-Edwards Pharmacal Corp.
14-600	Meprobamate Tablets	Vitamix Pharmaceuticals, Division of Philadelphia Pharmaceutical and Cosmetic Co.
14-769	Meprobamate Tablets	USV Pharmaceuticals.
14-862	Meprobamate Tablets	Gold Leaf Pharmacal Co., Inc.
15-081	Meprobamate Tablets	Kirkman Laboratories, Inc.
15-170	Meprobamate Tablets (FAS-CILE 400 and FAC- CILE 200)	Schlicksup Drug Co., Inc.
15-437	Meprobamate Tablets	Phoenix Laboratories, Inc.
16-051	Meprobamate Tablets	Lit Drug Co.
16-068	Meprobamate Tablets	Leeds-Dixon Laboratories, Inc.
16-107	Protran (Meprobamate) Tablets	Rand Laboratories, Inc.
16-254	Meprobamate Tablets	Modern Drugs, Inc.
16-731	Cuticura Medicated Soap	Purex.
17-240	Bio/Dopa (Levodopa) Capsules	Steri-Med.
17-343	Actin-N Nitrofurazone Topical Dressing	Sherwood Medical Co.
17-417	Westasept Topical Solution	West Chemical Products, Inc.
17-418	Wesohex Emulsion	Do.
17-419	Wesohex Topical Emulsion	The Vitarine Co., Inc.
17-423	Septisol Solution	Calgon Vestal Laboratories.
17-424	Septisol Foam	Do.
17-460	Septi-Soft Solution	Do.
17-540	Heparin Sodium Injection	Dell Laboratories.
17-544	Dancon Antidandruff Shampoo	The Wella Corp.
17-580	Dancon Antidandruff Shampoo	Do.
18-363	Hexasrub Sponge	Professional Disposables Inc., Division of Nice- Pak Products, Inc.

Therefore, notice is given to the
holders of the NDA's listed in the table
and to all other interested persons thatthe Director of the Center for Drug
Evaluation and Research proposes to
issue an order under section 505(e) ofthe Federal Food, Drug, and Cosmetic
Act (the act) (21 U.S.C. 355(e))
withdrawing approval of the NDA's and

all amendments and supplements thereto on the ground that the applicants have failed to submit the reports required under § 314.81.

In accordance with section 505 of the act and part 314 (21 CFR part 314), the applicants are hereby provided an opportunity for a hearing to show why the applications listed above should not be withdrawn and an opportunity to raise, for administrative determination, all issues relating to the legal status of the drug products covered by these applications.

An applicant who decides to seek a hearing shall file: (1) On or before April 11, 1996, a written notice of participation and request for a hearing, and (2) on or before May 13, 1996, the data, information, and analyses relied on to demonstrate that there is a genuine and substantial issue of fact that requires a hearing. Any other interested person may also submit comments on this notice. The procedures and requirements governing this notice of opportunity for a hearing, notice of participation, and request for a hearing, information and analyses to justify a hearing, other comments, and a grant or denial of a hearing, are contained in § 314.200 and in 21 CFR part 12.

The failure of an applicant to file a timely written notice of participation and request for a hearing, as required by § 314.200, constitutes an election by that applicant not to avail itself of the opportunity for a hearing concerning the proposal to withdraw approval of the applications and constitutes a waiver of any contentions concerning the legal status of the drug products. FDA will then withdraw approval of the applications and the drug products may not thereafter lawfully be marketed, and FDA will begin appropriate regulatory action to remove the products from the market. Any new drug product marketed without an approved new drug application is subject to regulatory action at any time.

A request for a hearing may not rest upon mere allegations or denials, but must present specific facts showing that there is a genuine and substantial issue of fact that requires a hearing. Reports submitted to remedy the deficiencies must be complete in all respects in accordance with § 314.81. If the submission is not complete or if a request for hearing is not made in the required format or with the required reports, the Commissioner of Food and Drugs will enter summary judgment against the person who requests the hearing, making findings and conclusions, and denying a hearing.

All submissions pursuant to this notice of opportunity for a hearing are to be filed in four copies. Except for data and information prohibited from public disclosure under 21 U.S.C. 331(j) or 18 U.S.C. 1905, the submissions may be seen in the Dockets Management Branch (address above) between 9 a.m. and 4 p.m., Monday through Friday.

This notice is issued under the Federal Food, Drug, and Cosmetic Act (sec. 505 (21 U.S.C. 355)) and under authority delegated to the Director, Center for Drug Evaluation and Research (21 CFR 5.82).

Dated: February 28, 1996.

Janet Woodcock,

Director, Center for Drug Evaluation and Research.

[FR Doc. 96-5748 Filed 3-11-96; 8:45 am]

BILLING CODE 4160-01-F

Health Care Financing Administration

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Health Care Financing Administration, HHS.

In compliance with the requirement of section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Health Care Financing Administration (HCFA), Department of Health and Human Services, is publishing the following summary of proposed collection for public comment. Interested persons are invited to send comments regarding the burden estimate or any other aspect of this collection of information, including any of the following subjects: (1) The necessity and utility of the proposed information collection for the proper performance of the agency's functions; (2) the accuracy of the estimated burden; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Type of Information Collection Request: Extension of a currently approved collection; **Title of Information Collection:** Payment Adjustment for Sole Community Hospitals; **Form No.:** HCFA-R-79; **Use:** Hospitals designated as "Sole Community Hospitals" that experience a five percent decrease in discharges in one cost reporting period, as compared to the previous period, due to unusual circumstances, beyond its control, may request an adjustment to its Medicare payment amount. **Frequency:** On

occasion; **Affected Public:** Business or other for-profit, Not-for-profit institutions, and State, local or tribal government; **Number of Respondents:** 40; **Total Annual Responses:** 40; **Total Annual Hours Requested:** 160.

To request copies of the proposed paperwork collections referenced above, call the Reports Clearance Office on (410) 786-1326. Written comments and recommendations for the proposed information collections should be sent within 60 days of this notice directly to the HCFA Paperwork Clearance Officer designated at the following address:

HCFA, Office of Financial and Human Resources, Management Planning and Analysis Staff, Attention: Louis Blank, Room C2-26-17, 7500 Security Boulevard, Baltimore, Maryland 21244-1850.

Dated: March 4, 1996.

Kathleen B. Larson,

Director, Management Planning and Analysis Staff, Office of Financial and Human Resources.

[FR Doc. 96-5772 Filed 3-11-96; 8:45 am]

BILLING CODE 4120-03-P

Health Resources and Services Administration

Agency Information Collection Activities: Submission for OMB Review; Comment Request

Periodically, the Health Resources and Services Administration (HRSA) publishes abstracts of information collection requests under review by the Office of Management and Budget, in compliance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35). To request a copy of the clearance requests submitted to OMB for review, call the HRSA Reports Clearance Office on (301) 443-1129. The following request has been submitted to the Office of Management and Budget for review under the Paperwork Reduction Act of 1995:

Ryan White Comprehensive AIDS Resources Emergency Act of 1990, Title IV—The Maternal and Child Health Bureau (MCHB) proposes to collect aggregated data from 38 grantees and their 72 local service providers that are funded under Section 2671 of the Public Health Service Act (42 U.S.C. 300ff-71). Data will be collected from grantees and providers on the organizational structures, service delivery approaches, numbers and demographic characteristics of clients served, service utilization, and activities related to outreach, prevention, and education. The data collection strategy includes six tables that the grantees and their local

service providers will use to submit information annually about program and client characteristics. The data collected will be used within and

outside MCHB and HRSA to inform the administration and Congress about the Title IV program and will be used by grantees and MCHB for other planning

and policy efforts. Burden estimates are as follows:

Type of form	Number of respondents	Responses per respondent	Average hours per response	Total burden hours
Designation of Local Reporting Entities	38	1	0.5	19
Local Network Profile	110	1	.5	55
Service Mix Profile	110	1	2.8	308
Demographic and Clinical Status	110	1	33.0	3,630
Service Utilization Summary	110	1	20.0	2,200
Prevention and Education Activities	110	1	4.0	440

Estimated Total Annual Burden: 6652 hours.

Written comments and recommendations concerning the proposed information collection should be sent within 30 days of this notice to: Virginia Huth, Human Resources and Housing Branch, Office of Management and Budget, New Executive Office Building, Room 10235, Washington, D.C. 20503.

Dated: March 6, 1996.

J. Henry Montes,
Associate Administrator for Policy
Coordination.

[FR Doc. 96-5811 Filed 3-11-96; 8:45 am]

BILLING CODE 4160-15-P

National Institutes of Health

Proposed Data Collection; Comment Request

In compliance with the requirement of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 for opportunity for public comment on proposed data collection projects, the National Institutes of Health (NIH), National Cancer Institute (NCI) will publish periodic summaries of proposed projects. To request more information on the proposed project, call Amy F. Subar, Ph.D., Nutritionist, or Susan M.

Krebs-Smith, Ph.D., Nutritionist, at (301) 496-8500.

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proposed performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Send comments to Amy F. Subar, Ph.D., Susan M. Krebs-Smith, Ph.D., National Cancer Institute, EPN 313, 6130 Executive Blvd., MSC 7344, Bethesda, MD 20892-7344. Written comments should be received by (Federal Register insert the date 60 days following the date of publication).

Proposed Project: Followup Survey of the National 5 A Day for Better Health Program—New—This study will measure five year trends in fruit and vegetable intakes and in knowledge, attitudes, and benefits about diet and

nutrition specific to fruit and vegetable intake. The purpose of this study is to evaluate the effectiveness of the National 5 A Day for Better Health Program in the first five years of its existence. Two questionnaires will be administered concurrently via telephone to separate national samples of households, with an oversampling of African Americans and Hispanics. Methods, sampling, and techniques will be as similar as possible to that conducted in the original Baseline Survey. The difference between the samples will be in the survey instruments administered. The first, long questionnaire is the instrument used in the original 5 A Day Baseline Survey. The second, short questionnaire will obtain similar information to that collected using the long questionnaire. Because of concern for response rates and possible biases associated with low response rates, a survey of non-respondents from the long survey will also be conducted. This survey will use methods as similar as possible to those employed in the non-respondent survey to the 1991 Baseline Survey. Study participants will be U.S. adults 18 years and old residing in these coterminous states. Burden estimates are as follows:

	No. of respondents	Instrument type	No. of responses per respondent	Avg burden/response
Group 1	2,000	Long	1	.501 hrs.
Group 2	2,050	Short	1	.251 hrs.
Non-Response	150	Response	1	.167 hrs.

Dated: March 1, 1996

Philip D. Amoruso,
NCI Executive Officer.

[FR Doc. 96-5760 Filed 3-11-96; 8:45 am]

BILLING CODE 4140-01-M

Submission for OMB Review; Preventing Problem Behavior Among Middle School Students; Comment Request

SUMMARY: Under the provisions of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the National

Institute of Child Health and Human Development (NICHD), the National Institutes of Health (NIH) has submitted to the Office of Management and Budget (OMB) a request to review and approve the information collection listed below. This proposed information collection

was previously published in the Federal Register on September 21, 1995, pages 49001–49002 and allowed 60-days for public comment. No comments were received. The National Institutes of Health may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

PROPOSED COLLECTION:

Title: Preventing Problem Behavior Among Middle School Students.

Type of Information Collection

Request: NEW

Need and Use of Information

Collection: This study will test the effect of a special program of education on the prevalence of problem behavior among students in the 6th, 7th, and 8th grades, ages 11–14. The study involves the students in seven middle schools in one Maryland school district. The school board, school superintendent, principals of each middle school, and various parent and teacher groups have reviewed and approved or endorsed the study, including data collection. Students will be asked to complete questionnaires on attitudes and behavior regarding the use of tobacco, alcohol, and drugs, and misconduct at school and in the community. Also, a sample of 1,000 parents of these students will be interviewed by telephone about practices that protect children from problem behavior.

Frequency of Response: On occasion.

Affected Public: Individuals or households; State, local, or Tribal Governments.

Type of Respondents: Children and Parents. The annual reporting burden is as follows:

Estimated Number of Respondents: 7,400;

Estimated Number of Responses per Respondent: .73;

Average Burden Hours per Response: .91; and

Estimated Total Annual Burden Hours Requested: 4,900.

The total annualized cost to respondents is estimated at: \$49,000. There are no Capital Costs to report. There are no Operating or Maintenance Costs to report.

REQUEST FOR COMMENTS: Written comments and/or suggestions from the public are invited on one or more of the following points: (1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (2) The accuracy of the

agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (3) Ways to enhance the quality, utility, and clarity of the information to be collected; and (4) Ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

DIRECT COMMENTS TO OMB: Written comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the: Office of Management and Budget, Office of Regulatory Affairs, New Executive Office Building, Room 10235, Washington, D.C. 20503, Attention: Desk Officer for NIH. To request more information on the proposed project or to obtain a copy of the data collection plans and instruments, contact Dr. Bruce Simons-Morton, Prevention Research Branch, DESPR, NICHD, NIH, Room 7B05, 6100 Executive Blvd., Rockville, MD 20852, or call non-toll-free number (301) 496–1126, or E-mail your request, including your address to: MortonB@HD01.NICHD.NIH.GOV.

COMMENTS DUE DATE: Comments regarding this information collection are best assured of having their full effect if received on or before April 11, 1996. Send comments to Bruce Simons-Morton, Project Officer, 6100 Executive Blvd., 7B05, DESPR, NICHD, Rockville, MD 20852.

Dated: March 1, 1996.
Heinz Berendes,
Director, DESPR, NICHD, NIH.
[FR Doc. 96–5759 Filed 3–11–96; 8:45 am]

BILLING CODE 4140–01–M

Submission for OMB Review; Comment Request; the Impact and Costs of Sealants in Young Child Populations

SUMMARY: Under the provisions of Section 3506(e)(2)(A) of the Paperwork Reduction Act of 1995, the National Institute of Dental Research (NIDR), National Institutes of Health (NIH), has submitted to the Office of Management and Budget (OMB) a request to review and approve the information collection listed below. This proposed information collection was previously published in the Federal Register on August 23, 1995, page 43609, and allowed 60 days for public comment. No public

comments were received. The purpose of this notice is to allow an additional 30 days for public comment. The National Institutes of Health may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

PROPOSED COLLECTION:

Title: The Impact and Costs of Sealants in Young Child Populations.

Type of Information Collection

Request: New.

Need and Use of Information

Collection: This study will access the value (costs and effects) of providing dental sealants to the child population with erupted permanent teeth with occlusal surfaces (approximately ages 6–12) under alternative financial support programs in existing oral health care delivery systems and across two socioeconomic groups. The primary objectives of the study are to determine if various levels of dental insurance influence the use of dental sealants, if costs attributable to sealants in a payment program provide value in terms of reduced caries, and if providing dental sealants to specific tooth surfaces of children merits the investment of limited resources within a larger oral health care program. The findings will provide valuable information concerning: (1) Real disease reductions possibly using dental sealants for age-appropriate child populations within the existing oral health delivery system; (2) the costs of, and estimated savings from, providing sealants rather than restorative care, and (3) the marginal benefits and cost benefits of adding sealants to “normative” caries prevention efforts in age-appropriate child populations.

Frequency of Response: On occasion.

Affected Public: Individuals or Households; Businesses or Other For-Profits.

Type of Respondents: Children, Parents and Dentists. The annual reporting burden is as follows:

Estimated Number of Respondents: 6,148.

Estimated Number of Responses per Respondent: 1.

Average Burden Hours per Response: .1246; and

Estimated Total Annual Hours Requested: 766. The annualized cost to respondents is estimated at: \$5,274. There are no Capital Costs to report. There are no Operating or Maintenance Costs to report.

REQUEST FOR COMMENTS: Written comments and/or suggestions from the

public and affected agencies are invited on one or more of the following points: (1) Whether the proposed collection of information is necessary from the proper performance of the function of the agency, including whether the information will have practical utility; (2) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

DIRECT COMMENTS TO OMB: Written comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to: Office of Management and Budget, Office of Regulatory Affairs, New Executive Office Building, Room 10235, Washington, D.C. 20503, Attention: Desk Officer for NIH. To Request more information on the proposed project or to obtain a copy of the data collection plans and instruments, contact: Dr. Helen Gift, Chief, Disease Prevention and Health Promotion Branch, DEODP, NIDR, NIH, Natcher Building, Room 3AN-44D, 9000 Rockville Pike, Bethesda, MD 20892, or call non-toll-free number (301) 594-5579 or E-mail your request, including your address, to: GiftH@DE45.NIDR.NIH.gov

COMMENTS DUE DATE: Comments regarding this information collection are best assured of having their full effect if received on or before May 13, 1996.

Dated: March 6, 1996.
Yvonne H. du Buy,
Executive Officer, NIDR.
[FR Doc. 96-5761 Filed 3-11-96; 8:45 am]
BILLING CODE 4140-01-M

National Heart, Lung, and Blood Institute; Notice of a Closed Meeting

Pursuant to Section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given to the following Heart, Lung, and Blood Special Emphasis Panel (SEP) meeting:

Name of SEP: Hematopoietic Stem Cell Growth and Engraftment.
Date: April 8-9, 1996.

Time: 7:30 p.m.
Place: Chevy Chase Holiday Inn, 5520 Wisconsin Avenue, Chevy Chase, MD 20815.
Contact Person: Ivan Baines, Ph.D., Two Rockledge Center, Room 7184, 6701 Rockledge Drive, Bethesda, MD 20892-7924, (301) 435-0277.

Purpose/Agenda: To review and evaluate grant applications.

The meeting will be closed in accordance with the provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C. Applications and/or proposals and the discussions could reveal confidential trade secrets or commercial property such as patentable material and personal information concerning individuals associated with the applications and/or proposals, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

(Catalog of Federal Domestic Assistance Programs Nos. 93.837, Heart and Vascular Disease Research; 93.838, Lung Diseases Research; and 93.839, Blood Diseases and Resources Research, National Institutes of Health)

Dated: March 6, 1996.
Susan K. Feldman,
Committee Management Officer, NIH.
[FR Doc. 96-5756 Filed 3-11-96; 8:45 am]
BILLING CODE 4140-01-M

National Institute of Mental Health; Notice of Closed Meetings

Pursuant to Section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meetings of the National Institute of Mental Health Special Emphasis Panel:

Agenda/Purpose: To review and evaluate grant applications.

Committee Name: National Institute of Mental Health Special Emphasis Panel.

Date: March 28, 1996.

Time: 10 a.m.

Place: Parklawn Building, Room 9C-18, 5600 Fishers Lane, Rockville, MD 20857.

Contact Person: Michael D. Hirsch, Parklawn Building, Room 9C-18, 5600 Fishers Lane, Rockville, MD 20857, Telephone: 301, 443-1000.

Committee Name: National Institute of Mental Health Special Emphasis Panel.

Date: April 1, 1996.

Time: 11 a.m.

Place: Parklawn Building, Room 9C-26, 5600 Fishers Lane, Rockville, MD 20857.

Contact Person: Jean G. Noronha, Parklawn Building, Room 9C-26, 5600 Fishers Lane, Rockville, MD 20857, Telephone: 301, 443-6470.

Committee Name: National Institute of Mental Health Special Emphasis Panel.
Date: April 2, 1996.

Time: 4 p.m.

Place: Parklawn Building, Room 9C-26, 5600 Fishers Lane, Rockville, MD 20857.

Contact Person: Jean G. Noronha, Parklawn Building, Room 9C-26, 5600 Fishers Lane, Rockville, MD 20857, Telephone: 301, 443-6470.

The meetings will be closed in accordance with the provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C. Applications and/or proposals and the discussions could reveal confidential trade secrets or commercial property such as patentable material and personal information concerning individuals associated with the applications and/or proposals, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

This notice is being published less than fifteen days prior to the meetings due to the urgent need to meet timing limitations imposed by the review and funding cycle. (Catalog of Federal Domestic Assistance Program Numbers 93.242, 93.281, 93.282)

Dated: March 6, 1996.
Susan K. Feldman,
Committee Management Officer, NIH.
[FR Doc. 96-5757 Filed 3-11-96; 8:45 am]
BILLING CODE 4140-01-M

National Institute of Mental Health; Notice of Closed Meeting

Pursuant to Section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting of the National Institute of Mental Health Special Emphasis Panel:

Agenda/Purpose: To review and evaluate grant applications.

Committee Name: National Institute of Mental Health Special Emphasis Panel.

Date: March 13, 1996.

Time: 3 p.m.

Place: Parklawn Building, Room 9C-18, 5600 Fishers Lane, Rockville, MD 20857.

Contact Person: W. Gregory Zimmerman, Parklawn Building, Room 9C-18, 5600 Fishers Lane, Rockville, MD 20857, Telephone: (301) 443-1340.

The meeting will be closed in accordance with the provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C. Applications and/or proposals and the discussions could reveal confidential trade secrets or commercial property such as patentable material and personal information concerning individuals associated with the applications and/or proposals, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

This notice is being published less than fifteen days prior to the meeting due to the urgent need to meet timing limitations imposed by the review and funding cycle.

(Catalog of Federal Domestic Assistance Program Numbers 93.242, 93.281, 93.282)

Dated: March 6, 1996.

Susan K. Feldman,
Committee Management Officer, NIH.
[FR Doc. 96-5890 Filed 3-11-96; 8:45 am]
BILLING CODE 4140-01-M

Division of Research Grants; Notice of Closed Meeting

Pursuant to Section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following Division of Research Grants Special Emphasis Panel (SEP) meeting:

Purpose/Agenda: To review individual grant applications.

Name of SEP: Clinical Sciences.

Date: March 8, 1996.

Time: 1:00 p.m.

Place: NIH, Rockledge 2, Room 4108, Telephone Conference.

Contact Person: Dr. Jules Selden, Scientific Review Administrator, 6701 Rockledge Drive, Room 4108, Bethesda, Maryland 20892, (301) 435-1785.

This notice is being published less than 15 days prior to the above meeting due to the partial shutdown of the Federal Government and the urgent need to meet timing limitations imposed by the grant review and funding cycle.

The meeting will be closed in accordance with the provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C. Applications and/or proposals and the discussions could reveal confidential trade secrets or commercial property such as patentable material and personal information concerning individuals associated with the applications and/or proposals, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

(Catalog of Federal Domestic Assistance Program Nos. 93.306, 93.333, 93.337, 93.393-93.396, 93.837-93.844, 93.846-93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: March 6, 1996.

Susan K. Feldman,
Committee Management Officer, NIH.
[FR Doc. 96-5758 Filed 3-11-96; 8:45 am]
BILLING CODE 4140-01-M

Recombinant Research: Actions Under the Guidelines

AGENCY: National Institutes of Health, PHS, DHHS.

ACTION: Notice of Actions under the NIH Guidelines for Research Involving Recombinant DNA Molecules (59 FR 34496, 59 FR 40170, 60 FR 20726, 61 FR 1482).

SUMMARY: This notice sets forth an action to be taken by the Director, National Institutes of Health (NIH), under the NIH Guidelines for Research Involving Recombinant DNA Molecules.

FOR FURTHER INFORMATION CONTACT:

Additional information can be obtained from Dr. Nelson A. Wivel, Director, Office of Recombinant DNA Activities (ORDA), Office of Science Policy, National Institutes of Health, MSC 7010, 6000 Executive Boulevard, Suite 302, Bethesda, Maryland 20892-7010, (301) 496-9838.

SUPPLEMENTARY INFORMATION: Today's action is being promulgated under the NIH Guidelines for Research Involving Recombinant DNA Molecules. This proposed action was published for comment in the Federal Register of November 15, 1995 (60 FR 57528), and reviewed and recommended for approval by the NIH Recombinant DNA Advisory Committee (RAC) at its meeting on December 4-5, 1995.

I. Background Information and Decisions on Actions Under the NIH Guidelines

A. Amendments to Section IV and Appendix M of the NIH Guidelines Regarding Semiannual/Annual Data Reporting

In a letter dated June 16, 1995, Dr. Gary Nabel outlined the redundant and onerous reporting requirements of multiple Federal agencies and local institutions. At a minimum, amending the NIH Guidelines to accommodate annual data reporting requirements rather than semiannual reporting requirements should greatly reduce the burden currently placed on principal investigator of human gene transfer protocols.

In a letter dated August 16, 1995, Ms. Debra Knorr, NIH Office of Recombinant DNA Activities, submitted to the Recombinant DNA Advisory Committee the intent to submit proposed amendments to the NIH Guidelines regarding annual data reporting. During the September 12, 1995, Recombinant DNA Advisory Committee meeting, Dr. LeRoy Walters, Chair, invited members of the Recombinant DNA Advisory Committee and the public to provide comments on the proposed amendments. No comments on the proposed amendments were submitted to the Office of Recombinant DNA Activities.

During the December 4-5, 1995, meeting, the Recombinant DNA Advisory Committee approved the amendments to the NIH Guidelines for annual data reporting using the current semiannual data reporting forms. The motion passed by a vote of 14 in favor, 0 opposed, and no abstentions.

The actions are detailed in Section II—Summary of Actions. I accept these recommendations, and the NIH

Guidelines will be amended accordingly.

II. Summary of Actions

A. Amendments to Section IV-B-4-e, Responsibilities of the Principal Investigator During the Conduct of the Research

Section IV-B-4-e-(5) is amended to read:

“Section IV-B-4-e-(5). Comply with annual data reporting and adverse event reporting requirements for NIH-and FDA-approved human gene transfer experiments (see Appendix M-VIII, Reporting Requirements—Human Gene Transfer Protocols).”

B. Amendments to Section IV-C-3, Responsibilities of the Office of Recombinant DNA Activities

Section IV-C-3-c is amended to read:

“Section IV-C-3-c. Administering the annual data reporting requirements (and subsequent review) for human gene transfer experiments, including experiments that are reviewed solely by the FDA (see Appendix M-VI, Categories of Human Gene Transfer Experiments that May Be Exempt from RAC Review).”

C. Amendments to Appendix M-VII, Categories of Human Gene Transfer Experiments That May Be Exempt for RAC Review

Appendix M-VII is amended to read:

“Appendix M-VII. Categories of Human Gene Transfer Experiments that May Be Exempt from RAC Review.

“A proposed submitted under one of the following categories may be considered exempt from RAC review unless otherwise determined by NIH/ORDA and the FDA on a case-by-case basis (see Appendix M-VI-A, Categories of Human Gene Transfer Experiments that Require RAC Review).

Note: For proposals that are exempt from RAC review, the documentation described in Appendices M-I through M-V will be maintained by NIH/ORDA for compliance with annual data reporting and adverse event reporting requirements (see Appendix M-VIII, Reporting Requirements—Human Gene Transfer Protocols). Any subsequent modifications to proposals that were not reviewed by the RAC must be submitted to NIH/ORDA in order to facilitate data reporting requirements.

D. Amendments to Appendix M-VIII, Reporting Requirements—Human Gene Transfer Protocols

Appendix M-VIII-A is amended to read:

“Appendix M-VIII-A Annual Data Reporting

“Investigators who have received approval from the FDA to initiate a human gene transfer protocol (whether or not it has been reviewed by the RAC) shall be required to comply with the annual data reporting

requirements. Annual Data Report forms will be forwarded by NIH/ORDA to investigators. Data submitted in these reports will be evaluated by the RAC, NIH/ORDA, and the FDA and reviewed by the RAC at its next regularly scheduled meeting."

OMB's "Mandatory Information Requirements for Federal Assistance Program Announcements" (45 FR 39592, June 11, 1980) requires a statement concerning the official government programs contained in the Catalog of Federal Domestic Assistance. Normally, NIH lists in its announcements the number and title of affected individual programs for the guidance of the public. Because the guidance in this notice covers not only virtually every NIH program but also essentially every Federal research program in which DNA recombinant molecule techniques could be used, it has been determined not to be cost effective or in the public interest to attempt to list these programs. Such a list would likely require several additional pages. In addition, NIH could not be certain that every Federal program would be included as many Federal agencies, as well as private organizations, both national and international, have elected to follow the NIH Guidelines. In lieu of the individual program listing, NIH invites readers to direct questions to the information address above about

whether individual programs listed in the Catalog of Federal Domestic Assistance are affected.

Effective Date: March 1, 1996.

Harold Varmus,

Director, National Institutes of Health.

[FR Doc. 96-5762 Filed 3-11-96; 8:45 am]

BILLING CODE 4140-01-M

Substance Abuse and Mental Health Services Administration

Agency Information Collection Activities: Proposed Collection; Comment Request

In compliance with Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 for opportunity for public comment on proposed data collection projects, the Substance Abuse and Mental Health Services Administration will publish periodic summaries of proposed projects. To request more information on the proposed projects or to obtain a copy of the data collection plans and instruments, call the SAMHSA Reports Clearance Officer on (301) 443-0525.

Comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the

agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Proposed Project: Drug And Alcohol Services Information System —Revision—The DASIS consists of three related data systems: the National Facility Register, the Uniform Facility Data Set, and the Treatment Episode Data Set. Together, they provide information on the location, scope and characteristics of all known drug and alcohol treatment and prevention facilities in the United States, and the characteristics of clients receiving services. This information is needed to assess the nature and extent of these resources, to identify gaps in services, and to provide a database for treatment referrals. The FY 1996 DASIS was approved under OMB control number 0930-0168. This request is for continuation of DASIS with minor revisions to the data collection instruments. Automated data collection methods are employed by DASIS. The total annual burden estimate is 87,278 hours, as shown below:

	Number of respondents	Number of responses per respondent	Average burden per response (hours)	Total burden (hours)
States	56	591	2.386	78,973
Facilities	19,400	1	0.428	8,305

Send comments to Deborah Trunzo, SAMHSA Reports Clearance Officer, Room 16-105, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857. Written comments should be received within 60 days of this notice.

Dated: March 6, 1996.

Richard Kopanda,

Acting Executive Officer, SAMHSA.

[FR Doc. 96-5751 Filed 3-11-96; 8:45 am]

BILLING CODE 4162-20-P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[NV-931-1020-001]

Northeastern Great Basin Resource Advisory Council Meeting Locations and Times

AGENCY: Bureau of Land Management, Interior.

ACTION: Resource Advisory Councils' Meeting Locations and Times.

SUMMARY: In accordance with the Federal Land Policy and Management Act and the Federal Advisory Committee Act of 1972 (FACA), 5 U.S.C., the Department of the Interior, Bureau of Land Management (BLM), Council meetings will be held as indicated below. The agenda for each meeting includes approval of minutes of the previous meeting, continuation of

Council orientation, discussion of Standards and Guidelines for management of the public lands within the jurisdiction of the Council and determination of the subject matter for future meetings.

All meetings are open to the public. The public may present written comments to the Council. Each formal Council meeting will also have time allocated for hearing public comments. The public comment period for three Council meetings is listed below. Depending on the number of persons wishing to comment and time available, the time for individual oral comments may be limited. Individuals who plan to attend and need further information about the meetings, or need special assistance, such as sign language interpretation or other reasonable accommodations, should contact the District Manager at the Battle Mountain

District Office, 50 Bastian Road, Battle Mountain, NV 89820, telephone 702-635-4000.

DATES, TIMES: The time and location of the meetings are as follows:

Northeastern Great Basin Resource Advisory Council, BLM Office, 50 Bastian Road, Battle Mountain, NV 89820; March 22 starting at 9:00 a.m.; public comments will be March 22 at 9:30 a.m. and March 23 at 1:00 p.m.

Northeastern Great Basin Resource Advisory Council, BLM Office, 3900 E. Idaho Street, Elko, NV 89803; April 12 starting at 9:00 a.m.; public comments will be April 12 at 9:30 a.m. and April 13 at 1:00 p.m.

Northeastern Great Basin Resource Advisory Council, BLM Office, 3900 E. Idaho Street, Elko, NV 89803; May 3 starting at 1:00 p.m.; public comments will be May 4 at 1:00 p.m.

FOR FURTHER INFORMATION CONTACT: Jeff Weeks, Team Leader for the Northeastern Resource Advisory Council, Battle Mountain Office, telephone 702-635-4000.

SUPPLEMENTARY INFORMATION: The purpose of the Council is to advise the Secretary of the Interior, through the BLM, on a variety of planning and management issues, associated with the management of the public lands.

Dated: March 4, 1996.

Gerald M. Smith,

District Manager, Battle Mountain.

[FR Doc. 96-5755 Filed 3-11-96; 8:45 am]

BILLING CODE 4310-HC-M

[WY-920-06-1320-00]

Powder River Regional Coal Team Activities: Rescheduled Public Meeting

AGENCY: Department of Interior, Wyoming.

ACTION: Notice of rescheduled public meeting.

SUMMARY: The Powder River Regional Coal Team (RCT) announces that it has rescheduled its public meeting for April 23, 1996, for the following purposes: (1) Review current and past activities in the Powder River Coal Region, (2) review pending coal lease applications (LBA), and (3) make recommendations on pending coal lease applications.

DATES: The RCT meeting will begin at 9:00 a.m. DST on Tuesday, April 23, 1996, at the Hitching Post Inn, in the Cheyenne Club Room, 1700 West Lincolnway, Cheyenne, Wyoming. The meeting is open to the public.

ADDRESSES: The meeting will be held at the Hitching Post Inn, Cheyenne Club Room, 1700 West Lincolnway,

Cheyenne, WY 82001, telephone (307) 638-3301. Attendees may wish to make their personal room reservations from a block of rooms which has been set aside until April 8, 1996. For room reservations call 1-800-221-0125.

FOR FURTHER INFORMATION CONTACT: Pam Hernandez or Eugene Jonart, Wyoming State Office, Attn. (922), P.O. Box 1828, Cheyenne, Wyoming 82003; telephone (307) 775-6270 or 775-6257.

SUPPLEMENTARY INFORMATION: Primary purpose of the meeting is to discuss the following new coal lease applications (LBA): Spring Creek Coal Comp., Kennecott, (MTM83859), filed March 22, 1995; Powder River Coal Company (PRCC), Peabody, (WYW136142), filed March 23, 1995; and Jacob's Ranch, Kerr-McGee, (WYW136458), filed April 14, 1995. This is the initial public notification of the pending applications listed above, in accordance with the Powder River Operational Guidelines. The pending applications are to sustain existing coal mining operations. Generally, a coal lease application filed under the LBA portion of the regulations (43 CFR 3425) takes two to four years to be processed to the competitive lease sale stage, depending on informational and environmental study requirements. The RCT may generate recommendation(s) for any or all of the pending LBAs.

The meeting will serve as a forum for public discussion on Federal coal management issues of regional concern. Any party interested in providing comments or data related to the above pending applications may either do so in writing to the State Director (925), Wyoming State Office, Bureau of Land Management, P.O. Box 1828, Cheyenne, WY 82003 no later than January 3, 1996, or by addressing the RCT with his/her concern at the meeting on April 13, 1996.

The proposed agenda for the meeting follows:

1. Introduction of RCT Members and guests.
2. Approval of the Minutes of the June 16, 1993, Regional Coal Team Meeting held in Billings, Montana.
3. Organizational Changes within BLM.
4. New Powder River RCT Charter.
5. Regional Coal Activity Status:
 - a. Current Production and trends
 - b. Activity Since Last RCT Meeting: Competitive Sales: Wyoming—Eagle Butte LBA, April 5, 1995; Montana—Spring Creek LBA, August 9, 1995.
 - c. Pending LBAs previously reviewed by RCT:
 - Antelope LBA; (Antelope Coal Comp.) filed 12/29/92; 60 million tons;

estimated sales date is June 1996. EA review to be completed December 1995.

—North Roundup LBA; (Zeigler), filed 7/22/92; 140 million tons; estimated sale date is December 1996. EIS will be started December 1995.

d. Status of Coal Exchanges—Texaco/Lake DeSmet; Belco/Hay Creek

e. Coal Lease Modifications Pending (if any): Montana/Wyoming

f. Pending coal lease applications (LBAs):

—Spring Creek Coal Comp.—MTM83859; (Montana); Kennecott Energy; estimated 37.8 million tons, 285 acres; no schedule yet.

—PRCC—WYW136142; (Wyoming), Peabody, estimated 550 million tons, 4,020 acres, no schedule yet.

—Jacob's Ranch—WYW136458; (Wyoming), Kerr-McGee; estimated 432 million tons, 4,000 acres, no schedule yet.

6. Executive Summary/Comparison of Previous Leasing Activities.

7. Review of Regional Market Conditions—Demand.

8. Industry Presentations:

—Kennecott Energy.

—PRCC.

—Kerr-McGee.

9. Other Regional Issues:

—Status of Buffalo Resource Area's Management Plan, (Wyoming).

10. RCT Activity Planning Recommendations:

—Review and recommendation(s) on pending lease Application(s).

11. Adjourn.

Public discussion opportunities will be provided on all agenda items.

Alan R. Pierson,

State Director, Wyoming.

[FR Doc. 96-5852 Filed 3-11-96; 8:45 am]

BILLING CODE 4310-22-M

[NV-930-1430-01; N-51910]

Notice of Realty Action: Sale of Public Land in Eureka County, Nevada, by Modified Competitive Sale Procedures

AGENCY: Bureau of Land Management.

ACTION: Modified Competitive Sale of Public Lands, Eureka County, Nevada.

SUMMARY: The following described lands have been examined and found suitable for sale at no less than appraised fair market value. Authorization for the sale is Sections 203 and 209 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701, 1713). The land will not be offered for sale until at least sixty days after the date of publication of this notice in the Federal Register.

Mount Diablo Meridian, Nevada

T. 20 N., R. 53 E.,

Section 30, lot 11;

comprising 42.27 acres, more or less.

DATES: The sale will be held on July 1, 1996, at 10:00 a.m. at the Bureau of Land Management, Battle Mountain District Office, 50 Bastian Rd., P.O. Box 1420, Battle Mountain, Nevada 89820.

SUPPLEMENTARY INFORMATION: The lands are being offered for public sale by the Bureau of Land Management (BLM) in order to facilitate and enhance land use capability with an adjoining private landowner. The lands have been specifically identified as suitable for disposal by the Shoshone-Eureka Resource Management Plan. The land is not needed for any resource program and is not suitable for management by the Bureau or any other Federal department or agency. Legal access to the parcel is available via U.S. Highway 50.

The locatable and salable mineral estates have been determined to have no known value. The land is prospectively valuable for oil and gas. Therefore, the mineral estate, excluding oil and gas, will be conveyed simultaneously with the surface estate in accordance with Section 209(b)(1) of Federal Land Policy and Management Act of 1976.

Acceptance of a sale offer will constitute an application for conveyance of the mineral interests. The high bidder will be required to submit a \$50.00 nonrefundable filing fee with the remainder of the purchase price for conveyance of the mineral interests specified above. Failure to submit the nonrefundable fee for the mineral estate within the time frame specified by the authorized officer will result in cancellation of the sale.

SALE PROCEDURES: The land will be sold by modified competitive sale procedures with a preference right given to James Ithurralde. The sale procedures will require the bidder to submit a written bid for no less than the fair market value. Each bid submitted will be accompanied by a certified check, postal money order, bank draft, or cashier's check for no less than 20% or 1/5 of the total amount bid for the parcels. Under modified competitive sale procedures, an apparent high bid will be declared by the BLM. The apparent high bidder and James Ithurralde (designated bidder) will be notified. The designated bidder will have 15 days from the date of notification to exercise the preference consideration to meet the high bid. Should the designated bidder fail to submit a bid that matches the apparent high bid within the specified time

period, the apparent high bidder shall be declared high bidder and awarded the sale. The apparent high bidder must submit the remainder of the full bid price prior to expiration of 180 days from the date of the sale. The amount will be paid by certified check, postal money order, bank draft, or cashier's check payable to the Department of the Interior—BLM. Failure to meet the conditions established for this sale will void the sale and any money received for the sale will be forfeited as proceeds of the sale to the BLM. Sealed bids for no less than the appraised fair market value as determined by government appraisal will be received until June 28, 1996, at 4:30 p.m. The appraised fair market value will be available from the Battle Mountain BLM District Office by June 1, 1996. The bid envelope should be sent to The Bureau of Land Management, Battle Mountain District Office, P.O. Box 1420, Battle Mountain, NV 89820, and must be marked on the lower left hand corner with BLM LAND SALE—DO NOT OPEN and with the SALE DATE. It is recommended that all mailed bids be sent via certified mail. The bid must not be for less than the appraised fair market value. Bids will only be accepted for the entire parcel. DO NOT submit a bid for only a portion of the parcel. Each bid submitted will contain at least 20% or 1/5 of the total amount bid for the parcel. Any bids not conforming to the sale conditions or received after the above date and time will be returned to the bidders. In the event that two or more written high bids are submitted in the same amount, the determination of which is to be considered the highest bid shall be by submission of new sealed bids by those bidders.

In the event that no bids are received on the parcel, the public lands in this sale proposal would remain for sale, over the counter, for a period of 30 days from date of sale. Interested parties may inquire about the parcel at the Bureau of Land Management, 50 Bastian Road, Battle Mountain, NV 89820 during the office hours of 7:30 a.m. to 4:30 p.m., Monday through Friday. The parcel would be available for sale through sealed bid procedures with all conditions of the sale applying. The BLM may accept or reject any or all offers or withdraw any land or interest in land for sale, if, in the opinion of the authorized officer, consummation of the sale would not be fully consistent with the Act of October 21, 1976 (90 Stat. 2776; 43 U.S.C. 1761).

The patent, when issued, will contain the following reservations to the United States:

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States; Act of August 30, 1890, 26 Stat. 391; 43 U.S.C. 945;

2. Oil and gas;

And will be subject to:

1. A right-of-way for U.S. Highway 50, NEV-06317, having a width of 200 feet from centerline;

2. Valid existing rights.

Publication of this notice in the Federal Register will segregate the subject lands from all appropriations under the public land laws, including the mining laws, mineral leasing laws, and the Geothermal Steam Act. The segregation will terminate upon issuance of the patent or other document of conveyance, or upon publication in the Federal Register of a termination of segregation, or 270 days from date of publication, which ever occurs first.

Federal law requires that all bidders must be U.S. citizens, 18 years of age or older, or in the case of corporations, be subject to the laws of any state of the United States. Proof of these requirements must accompany the bid. For a period of 45 days from the date of this Notice, interested parties may submit comments to the District Manager, Bureau of Land Management, P.O. Box 1420, Battle Mountain, Nevada 89820. Any adverse comments will be reviewed by the Nevada State Director, who may sustain, vacate, or modify this realty action and issue a final determination. In the absence of timely filed objections this realty action will become the final determination of the Department of the Interior.

Dated: January 16, 1996.

Gerald M. Smith,
District Manager.

[FR Doc. 96-5779 Filed 3-11-96; 8:45 am]

BILLING CODE 4310-HC-P

National Park Service

Golden Gate National Recreation Area and Point Reyes National Seashore Advisory Commission; Notice of Meeting Cancellation

Notice is hereby given in accordance with the Federal Advisory Committee Act that the meeting of the Golden Gate National Recreation Area and Point Reyes National Seashore Advisory Commission previously scheduled for Wednesday, March 20, 1996 in San Francisco will be cancelled.

The Advisory Commission was established by Public Law 92-589 to provide for the free exchange of ideas between the National Park Service and the public and to facilitate the

solicitation of advice or other counsel from members of the public on problems pertinent to the National Park Service systems in Marin, San Francisco and San Mateo Counties.

Members of the Commission are as follows:

Mr. Richard Bartke, *Chairman*
 Ms. Naomi T. Gray
 Mr. Michael Alexander
 Ms. Lennie Roberts
 Ms. Sonia Bolaños
 Mr. Redmond Kernan
 Mr. Merritt Robinson
 Mr. John J. Spring
 Mr. Joseph Williams
 Ms. Amy Meyer, *Vice Chair*
 Dr. Howard Cogswell
 Mr. Jerry Friedman
 Ms. Yvonne Lee
 Mr. Trent Orr
 Ms. Jacqueline Young
 Mr. R. H. Sciaroni
 Dr. Edgar Wayburn
 Mr. Mel Lane

Dated: March 5, 1996.

Brian O'Neill,

General Superintendent, Golden Gate National Recreation Area.

[FR Doc. 96-5849 Filed 3-11-96; 8:45 am]

BILLING CODE 4310-70-M

National Register of Historic Places; Notification of Pending Nominations

Nominations for the following properties being considered for listing in the National Register were received by the National Park Service before February 24, 1996. Pursuant to section 60.13 of 36 CFR Part 60 written comments concerning the significance of these properties under the National Register criteria for evaluation may be forwarded to the National Register, National Park Service, P.O. Box 37127, Washington, D.C. 20013-7127. Written comments should be submitted by March 27, 1996.

Carol D. Shull,

Keeper of the National Register.

ARIZONA

Maricopa County

Tovrea Castle, 5041 E. Van Buren, Phoenix, 96000309

Pima County

Julian—Drew Building, 182 E. Broadway, Tucson, 96000306

Pinal County

Kannally Ranch, Mt. Lemmon Hwy, E of Oracle, Oracle vicinity, 96000307

Yavapai County

Perry Mesa Archeological District (Boundary Increase), Address Restricted, Black Canyon vicinity, 96000335

ARKANSAS

Ashley County

Hawkins, Dr. M. C., House, 4684 AR 8, Parkdale, 96000310

Boone County

Grubb Springs School, Jct. of AR 43 and AR 397, NE Corner, Harrison vicinity, 96000329

Crittenden County

Lawrie House, 600 N. 7th St., West Memphis, 96000330

Logan County

Fort, John Gabriel, House, Reveille Valley Rd., SE of Driggs, Driggs vicinity, 96000331

CALIFORNIA

Orange County

First Baptist Church of Orange, 192 S. Orange St., Orange, 96000327

San Bernardino County

Kimberly Crest, 1325 Prospect Dr., Redlands, 96000328

COLORADO

Gunnison County

Alpine Tunnel Historic District, Along the Denver, South Park and Pacific RR tracks from Quartz to Hancock, Pitkin vicinity, 96000332

GEORGIA

Fulton County

King Plow Company, 887 W. Marietta St., Atlanta, 96000337

IOWA

Johnson County

Bostick, William, House, 115 N. Gilbert St., Iowa City, 96000312

Mahaska County

Berry, Dr. William E. and Ethel Rosenberger, House (Quaker Testimony in Oskaloosa MPS) 116 Rosenberger Ave., Oskaloosa, 96000343

Conover, Thomas J., House (Quaker Testimony in Oskaloosa MPS) 1010 N. Market St., Oskaloosa, 96000342

Iowa Yearly Meeting House—College Avenue Friends Church (Quaker Testimony in Oskaloosa MPS) 912 N. C St., Oskaloosa, 96000344

Johnson, William A. and Ida C., House (Quaker Testimony in Oskaloosa MPS) 307 College Ave., Oskaloosa, 96000346

Klose, Dr. William H. and Mae R., House (Quaker Testimony in Oskaloosa MPS) 1002 Penn Blvd., Oskaloosa, 96000350

Oskaloosa Monthly Meeting of Friends Parsonage (Quaker Testimony in Oskaloosa MPS) 910 N. C St., Oskaloosa, 96000348

Pierson—Betts House (Quaker Testimony in Oskaloosa MPS) 815 Penn Blvd., Oskaloosa, 96000347

President's Cottage (Quaker Testimony in Oskaloosa MPS) 425 College Ave., Oskaloosa, 96000340

Spring Creek Friends Cemetery (Quaker Testimony in Oskaloosa MPS) Jct. of Osburn Ave. and 235th St., Oskaloosa, 96000351

Spring Creek Meeting House—H Street Mission (Quaker Testimony in Oskaloosa MPS) 207 N. H St., Oskaloosa, 96000339

Spurgin Residence (Quaker Testimony in Oskaloosa MPS) 313 College Ave., Oskaloosa, 96000341

Stokes, Dr. Ella, House (Quaker Testimony in Oskaloosa MPS) 416 W. College Hill Ave., Oskaloosa, 96000349

Stranahan, Prof. Edgar H. and Irene D., House (Quaker Testimony in Oskaloosa MPS), 1001 Gurney St., Oskaloosa, 96000345

MARYLAND

Somerset County

Quindocqua United Methodist Church, Jct. of Quindocqua, Whittington, and L. Q. Powell Rds., Marion vicinity, 96000313

MASSACHUSETTS

Berkshire County

Kenmore, Jct. of MA 295 and MA 41, Richmond, 96000326

Plymouth County

Woodworth House, 47 Old Oaken Bucket Rd., Scituate, 96000317

NORTH DAKOTA

Cass County

Old Stone Church (Episcopal Churches of North Dakota MPS), 206 N Wilcox Ave., Buffalo, 96000311

PENNSYLVANIA

Fayette County

Connellsville Union Passenger Depot, 900 W. Crawford Ave., Connellsville, 96000319

Franklin County

Coldbrook Farm, 955 Spring Ln., Chambersburg, 96000321

Lackawanna County

Century Club of Scranton, 612 Jefferson Ave., Scranton, 96000323

Lancaster County

Conestoga Cork Works Building (Tobacco Buildings in Lancaster City MPS), 215-235 E. Fulton St., Lancaster, 96000324

Luzerne County

Markle Banking & Trust Company Building, 8 W. Broad St., Hazleton, 96000322

Philadelphia County

North Broad Street Station, Reading Company, 2601 N. Broad St., Philadelphia, 96000325

Washington County

Jennings-Gallagher House, 429 Wood St., California, 96000318

Westmoreland County

Scottdale Historic District, Roughly bounded by Walnut St., Constitution Way, Arthur Ave. and Jacob's Cr., Scottdale, 96000320

TENNESSEE

Carroll County

McKenzie Depot, 85 E. Bruce St., McKenzie, 96000336

Carter County

Renfro-Allen Farm, Judge Ben Allen Rd., NE of Elizabethton, Elizabethton vicinity, 96000333

Wilson County

Bailey Graveyard, McKee Rd., W of Commerce, Commerce vicinity, 96000338

TEXAS**Taylor County**

Alexander-Campbell House (Abilene MPS), 1546 N. 5th St., Abilene, 96000308

UTAH**Davis County**

Whitaker, Thomas and Elizabeth Mills, House, 168 N. Main St., Centerville, 96000316

Salt Lake County

Gilmer Park Historic District, Roughly bounded by 1100 East 900 South, 1300 East, and Harvard Ave., Salt Lake City, 96000314

In order to assist in the preservation of the following property, the comment period has been waived:

FLORIDA**Hillsborough County**

Floridan Hotel, 905 N. Florida Ave., Tampa, 96000315

[FR Doc. 96-5803 Filed 3-11-96; 8:45 am]

BILLING CODE 4310-70-P

Notice of Inventory Completion for Native American Human Remains and Associated Funerary Objects in the Control of Casa Grande National Monument, National Park Service, Coolidge, AZ

AGENCY: National Park Service

ACTION: Notice

Notice is hereby given in accordance with provisions of the Native American Graves Protection and Repatriation Act (NAGPRA), 25 U.S.C. 3003(d), of the completion of the inventory of human remains and associated funerary objects in the control of the National Park Service at Casa Grande National Monument, Coolidge, AZ.

A detailed assessment of the human remains was made by National Park Service professional staff in consultation with representatives of the Zuni Tribe, the Hopi Tribe, the Tohono O'odham Nation, the Gila River Pima-Maricopa Indian Community, and the Salt River Pima-Maricopa Indian Community. Members of the Ak-Chin Indian Community were contacted, but were not present at the consultation meeting.

The Monument's collection of human remains represent a minimum of 63

Native American individuals and 63 associated funerary objects recovered from Hohokam sites within the Monument.

Human remains recovered from Hohokam sites dating between 975-1400 A.D. within the Monument boundaries consist of eighteen individual cremations and 23 uncremated individuals. No known individuals were identified. Associated funerary objects include 43 cremation and funerary vessels, one shell artifact, and one worked bone.

In addition, cremations, burials, and incomplete lots of human bone representing a minimum number of 22 individuals whose archeological context are unknown have also been classified as Hohokam, primarily dating to the Classic Period (1150-1400 A.D.). No known individuals were identified. Associated funerary objects include eighteen funerary vessels and one bead.

According to oral tradition and historical records, Piman and O'odham peoples have direct ties to Casa Grande Ruins National Monument and the Hohokam sites within the Monument. Oral tradition, ethnography, history and archeological evidence also support the cultural affiliation of the Zuni Tribe and the Hopi Tribe to the Hohokam sites at Casa Grande National Monument.

A cultural affiliation study concluded that the Zuni Tribe, the Hopi Tribe, the Tohono O'odham Nation, the Gila River Indian Community, the Salt River Pima-Maricopa Indian Community, and the Ak-Chin Indian Community all have cultural ties to Casa Grande Ruins National Monument and the sites from which the above mentioned human remains and associated funerary objects were recovered.

Based on the above mentioned information, and the consultation with the above mentioned tribes, officials of the National Park Service have determined that, pursuant to 43 CFR 10.2 (d)(1), the human remains listed above represent the physical remains of 63 individuals of Native American ancestry. National Park Service officials have determined that, pursuant to 25 U.S.C. 3001 (3)(A), the 63 objects listed above are reasonably believed to have been placed with or near individual human remains at the time of death or later as part of the death rite or ceremony. Lastly, National Park Service officials have determined that, pursuant to 25 U.S.C. 3001 (2), there is a relationship of shared group identity which can be reasonably traced between these Native American human remains and associated funerary objects and the Zuni Tribe, the Hopi Tribe, the Tohono O'odham Nation, the Gila River Indian

Community, the Salt River Pima-Maricopa Indian Community, and the Ak-Chin Indian Community.

This notice has been sent to officials of the Zuni Tribe, the Hopi Tribe, the Tohono O'odham Nation, the Gila River Indian Community, the Salt River Pima-Maricopa Indian Community, and the Ak-Chin Indian Community.

Representatives of any other Indian tribe that believes itself to be culturally affiliated with these human remains and associated funerary objects should contact Donald L. Spencer, Superintendent, Casa Grande Ruins National Monument, 1100 Ruins Drive, Coolidge, AZ 85228; telephone: (602) 723093172, before March 11, 1996. Repatriation of the human remains and associated funerary objects will begin after that date if no additional claimants come forward.

Dated: March 6, 1996

Michele C. Aubry

*Acting Departmental Consulting Archeologist
Archeology and Ethnography Program*

[FR Doc. 96-5850 Filed 3-11-96; 8:45 am]

BILLING CODE 4310-70-F

Notice of Inventory Completion for Native American Human Remains in the Control of the Fruitlands Museums, Harvard, MA

AGENCY: National Park Service

ACTION: Notice

Notice is hereby given in accordance with provisions of the Native American Graves Protection and Repatriation Act (NAGPRA), 25 U.S.C. 3003(d), of the completion of an inventory of human remains in the control of the Fruitlands Museums, Harvard, MA.

A detailed inventory and assessment of the human remains and associated funerary objects has been made by Fruitlands Museums and University of Massachusetts professional staff in consultation with representatives of the Cheyenne River Sioux Tribe.

Museum records indicate these finger bones were purchased in 1929 from Mr. Henry T. Newman of Cedar Rapids, IA. Mr. Newman purchased these finger bones from a unnamed person in Nebraska and identified the provenance as "Nebraska-Sioux". No morphological features on these human remains indicate or suggest biological or cultural affinity. The human remains consist of a minimum of three individuals. No known individuals were identified. No associated funerary objects are present.

Based on the above mentioned information, Fruitlands Museums officials have determined, pursuant to 43 CFR 10 (d)(1), that the human

remains listed above represent the physical remains of at least three individuals of Native American ancestry. Officials of the Fruitlands Museums have also determined that, pursuant to 25 U.S.C. 3001 (2), there is a relationship of shared group identity which can be reasonably traced between the human remains and the Santee Sioux Tribe of Nebraska.

On January 12, 1996, the human remains were transferred to Mr. Sebastian LeBeau on behalf of the Santee Sioux Tribe of Nebraska. This notice has been sent to officials of the Santee Sioux Tribe of Nebraska, the Cheyenne River Sioux Tribe, the Omaha Tribe, the Winnebago Tribe of Nebraska, the Ponca Tribe of Nebraska, the Pawnee Tribe of Oklahoma, the Flandreau Santee Sioux Tribe, the Sisseton-Wahpeton Dakota Nation, the Crow Creek Sioux Tribe, the Yankton Sioux Tribe, the Lower Brule Sioux Tribe, the Rosebud Sioux Tribe, and the Oglala Sioux Tribe. Any Indian tribe with questions or concerns related to the repatriation of these human remains listed in this notice should contact Mr. Sebastian LeBeau, Cultural Preservation Officer, Cheyenne River Sioux Tribe, P.O. Box 590, Eagle Butte, SD 57625, phone (605) 964-4155.

Dated: March 6, 1996

Michele C. Aubry

*Acting Departmental Consulting Archeologist
Archeology and Ethnography Program*

[FR Doc. 96-5851 Filed 3-11-96; 8:45 am]

BILLING CODE 4310-70-F

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Pursuant to the Clean Water Act

In accordance with Departmental policy at 28 CFR 50.7, notice is hereby given that on February 29, 1996 a proposed consent Decree in *United States et al. v. Board of County Commissioners of Allen County, Ohio*, Civil Action No. 3:96CV7135 was lodged with the United States District Court for the Northern District of Ohio. This consent decree represents a settlement of claims by the United States and the State of Ohio against the Board of County Commissioners of Allen County (the Board) for violations of Section 301 of the Clean Water Act, 33 U.S.C. § 1311, and the terms and conditions of two National Pollutant Discharge Elimination System (NPDES) permits issued by the State.

Under this settlement, the Board will implement and complete a construction program designed to upgrade treatment

systems at its two wastewater treatment facilities. Interim effluent limitations are provided for the construction period and until issuance of renewal NPDES permits for the facilities. In addition, the Board will pay a civil penalty of \$100,000. Ninety percent (90%) of the penalty is payable to the United States and ten percent (10%) is payable to the State. Stipulated penalties may be imposed in the event the Board does not comply with the requirements of the Consent Decree.

The Department of Justice will receive comments relating to the proposed Consent Decree for a period of thirty (30) days from the date of this publication. Comments should be addressed to the Assistant Attorney General for the Environment and Natural Resources Division, Department of Justice, Washington, D.C. 20530, and should refer to *United States et al. v. The Board of County Commissioners of Allen County, Ohio*, D.J. #90-5-1-1-3841.

The proposed Consent Decree may be examined at the Office of the United States Attorney, Northern District of Ohio, Room 305, U.S. Courthouse, 1716 Spielbusch Avenue, Toledo, Ohio 43624, and at U.S. EPA Region 5, Office of Regional Counsel, 200 West Adams, Chicago, Illinois, and at the Consent Decree Library, 1120 G Street, N.W., 4th Floor, Washington, D.C. 20005, (202) 624-0892. A copy of the proposed Consent Decree may be obtained in person or by mail from the Consent Decree Library. In requesting a copy, please enclose a check in the amount of \$9.00 (25 cents per page reproduction cost) payable to the Consent Decree Library.

Joel M. Gross,

Chief, Environmental Enforcement Section.

[FR Doc. 96-5776 Filed 3-11-96; 8:45 am]

BILLING CODE 4410-01-M

Notice of Lodging of Consent Decree Pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act

In accordance with Departmental policy, 28 CFR 50.7, notice is hereby given that a proposed consent decree in *United States v. Burmar Metal Finishing Corp., et al.*, Civil Action No. 96-1233 TJH (Ex), was lodged on February 21, 1996 with the United States District Court for the Central District of California. This consent decree provides for the recovery of \$110,000 in response costs incurred with respect to the Burbank Operable Unit, San Fernando Valley Area 1 Superfund Site ("Site"). This action is brought pursuant to

Sections 106 and 107 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9606, 9607. The fourteen settling defendants are either past or present owners/operators of four small manufacturing facilities that were investigated by the Regional Water Quality Control Board ("RWQCB") as part of its source identification and remediation program.

The Department of Justice will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed consent decree. Comments should be addressed to the Assistant Attorney General for the Environment and Natural Resources Division, Department of Justice, Washington, D.C. 20530, and should refer to *United States v. Burmar Metal Finishing Corp., et al.*, DOJ Ref. #90-11-2-442B.

The proposed consent decree may be examined at the office of the United States Attorney, 312 North Spring Street, Los Angeles, CA 90012; the Region IX Office of the Environmental Protection Agency, 75 Hawthorne Street, San Francisco, CA 94105; and at the Consent Decree Library, 1120 G Street, N.W., 4th Floor, Washington, DC 20005, (202) 624-0892. A copy of the proposed consent decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street, N.W., 4th Floor, Washington, DC 20005. In requesting a copy please refer to the referenced case and enclose a check in the amount of \$8.75 (25 cents per page reproduction costs), payable to the Consent Decree Library.

Joel Gross,

*Chief, Environmental Enforcement Section,
Environment and Natural Resources Division.*

[FR Doc. 96-5774 Filed 3-11-96; 8:45 am]

BILLING CODE 4410-01-M

Notice of Lodging of Consent Decree Pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act

In accordance with Departmental policy, 28 CFR 50.7, notice is hereby given that a proposed Modification to a consent decree in *United State and State of Washington Department of Ecology v. City of Tacoma*, Civil Action No. C89-583T, was lodged on February 27, 1996 with the United States District Court for the Western District of Washington. The proposed Modification adds language to the consent decree which settles a dispute about measures which must be taken by the City to maintain minimum flows in a creek which has been affected by the removal

of groundwater by the City in the context of the remediation of groundwater contaminated or threatened with contamination by hazardous substances from the Tacoma Landfill Superfund Site. The existing consent decree, entered in May, 1991, settled an action brought under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601 *et seq.*, to compel the City to address releases or threats of releases of hazardous substances at the Tacoma Landfill Superfund Site in Tacoma, Washington, and to reimburse the United States for costs of removal or remedial actions at that Site.

The Department of Justice will receive, for a period of twenty (20) days from the date of this publication, comments relating to the proposed modification to the consent decree. Comments should be addressed to the Assistant Attorney General for the Environment and Natural Resources Division, Department of Justice, Washington, D.C. 20530, and should refer to *United States and State of Washington Department of Ecology v. City of Tacoma*, DOJ Ref. #90-11-2-381.

The proposed modification to the consent decree may be examined at the office of the United States Attorney, 3600 Seafirst Fifth Avenue Plaza, 800 Fifth Avenue, Seattle, Washington 98104; the Region X Office of the Environmental Protection Agency, 1200 Sixth Avenue, Seattle, Washington 98101; and at the Consent Decree Library, 1120 G Street, N.W., 4th Floor, Washington, D.C. 20005, (202) 624-0892. A copy of the proposed consent decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street, N.W., 4th Floor, Washington, D.C. 20005. In requesting a copy please refer to the referenced case and enclose a check in the amount of \$44.55 (25 cents per page reproduction costs), payable to the Consent Decree Library.

Joel M. Gross,

*Chief, Environmental Enforcement Section,
Environment and Natural Resources Division.*
[FR Doc. 96-5775 Filed 3-11-96; 8:45 am]

BILLING CODE 4410-01-M

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—the Amoco/Chevron Drilling Training Alliance

Notice is hereby given that, on February 15, 1996, pursuant to Section 6(a) of the National Cooperative

Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* ("the Act"), the Amoco/Chevron Drilling Training Alliance ("the Alliance") has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties and (2) the nature and objectives of the venture. The notifications were filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Pursuant to Section 6(b) of the Act, the identities of the parties are Chevron Global Technology Services Company, Houston, TX; and Amoco Production Company, Tulsa, OK. The nature and objectives of the venture are to develop an expanded and improved oil and gas well drilling training program for use in the training of the parties' respective employees and possibly for the training of third parties.

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 96-5770 Filed 3-11-96; 8:45 am]

BILLING CODE 4410-01-M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—the ATM Forum

Notice is hereby given that, on August 8, 1995, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* ("the Act"), The ATM Forum (the "ATM Forum") filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, the identities of the new members of ATM Forum are: ACT Networks, Inc., Camarillo, CA; Antec/Digital Video, Norcross, GA; Hughes Network Systems, Germantown, MD; Integrated Device Technology, Inc., Santa Clara, CA; Italtel, Settimo Milanese, ITALY; NASA Ames Research Center, Moffett Field, CA; Natural Microsystems, Natick, MA; nCUBE, Forest City, CA; Packard Hughes Interconnect, Irvine, CA; Stentor Resource Centre, Inc., Regina, CANADA; Toray, Aichi, JAPAN; and Vixel Corporation, Broomfield, CO. Company name changes include: ascom Timeplex to Ascom Enterprise Networks; NPB Partners, LP to TELE-TV Systems, LP and AMP/ATM Systems to AMP/Connectware. The following

companies are no longer members: Ericsson Raynet; Joint Interoperability Test Center; and Network Communications.

No changes have been made in the planned activities of ATM Forum. Membership remains open, and the members intend to file additional written notifications disclosing all changes in membership.

On April 19, 1993, ATM Forum filed its original notification pursuant to Section 6(a) of the Act. The Department of Justice published a notice in the Federal Register pursuant to Section 6(b) of the Act on June 2, 1993 (58 FR 31415).

The last notification was filed with the Department on May 10, 1995. The Department published a notice in the Federal Register pursuant to Section 6(b) of the Act on June 20, 1995 (60 FR 32169).

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 96-5771 Filed 3-11-96; 8:45 am]

BILLING CODE 4410-01-M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Bell Communications Research, Inc.

Notice is hereby given that, on December 19, 1995, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* ("the Act"), Bell Communications Research, Inc. ("Bellcore") has filed written notifications on behalf of Bellcore and Industrial Technology Research Institute ("ITRI") simultaneously with the Attorney General and the Federal Trade Commission disclosing: (1) The identities of the parties and (2) the nature and objectives of the venture. The notifications were filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Pursuant to Section 6(b) of the Act, the identities of the parties are Bellcore, Livingston, NJ; and ITRI, Chitung, Hsinchu, TAIWAN, ROC. Bellcore and ITRI entered into an agreement effective as of July 1, 1995, to engage in cooperative research related to video teleconferencing technologies.

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 96-5777 Filed 3-11-96; 8:45 am]

BILLING CODE 4410-01-M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Michigan Materials and Processing Institute

Notice is hereby given that, on July 24, 1995, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. § 4301 *et seq.* ("the Act"), the Michigan Materials and Processing Institute ("MMPI") filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. The following company was recently accepted as a Class A Shareholder: Cybernet Systems Corporation, Ann Arbor, MI. The following Class A Shareholder recently changed from Brunswick Corporation to Lincoln Composites, Lincoln, NE. The following Class A Shareholders are no longer shareholders: Bayer Corporation; Dow Chemical Company; DSM Engineering Plastics; General Electric Plastics; Nicholas Plastics, Inc.; Quantum Composites, Inc.; Republic Composite Materials, Inc.; Solent Experimental Research Laboratories, Inc.; Thermoplastic Pultrusions, Inc.; Wavemat, Inc.

No other changes have been made in either the membership or the planned activity of the group research project. Membership in this group research project remains open, and MMPI intends to file additional written notification disclosing all changes in membership.

On August 7, 1990, MMPI filed its original notification pursuant to Section 6(a) of the Act. The Department of Justice published a notice in the Federal Register pursuant to Section 6(b) of the Act on September 6, 1990, 55 FR 36710. The last notification was filed with the Department on May 18, 1995, and has not been published to date.

Constance K. Robinson,
Director of Operations, Antitrust Division.
[FR Doc. 96-5778 Filed 3-11-96; 8:45 am]
BILLING CODE 4410-01-M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Research Into Advanced Television Systems

Notice is hereby given that, on July 11, 1995, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301

et seq. ("the Act"), PixTech, S.A. ("PixTech"), formerly named Pixel International, S.A. ("Pixel"), on behalf of the members of a cooperative research venture concerning Field Emission Displays, filed an additional written notification simultaneously with the Attorney General and the Federal Trade Commission disclosing a change in membership. The additional notification was filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Motorola, Inc., Schaumburg, IL has joined the Venture.

No other changes have been made in either the membership or planned activities of the Venture.

On September 27, 1993, Pixel filed the original notification pursuant to Section 6(a) of the Act. The Department of Justice published a notice in the Federal Register pursuant to Section 6(b) of the Act on November 22, 1993 (58 FR 61717).

Membership in the Venture remains open, and the parties intend to file additional written notifications disclosing all changes in membership. Constance K. Robinson,
Director of Operations, Antitrust Division.
[FR Doc. 96-5768 Filed 3-11-96; 8:45 am]
BILLING CODE 4410-01-M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Portland Cement Association

Notice is hereby given that, on July 18, 1995, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. § 4301 *et seq.* ("the Act"), the Portland Cement Association ("PCA") has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Giant Cement Holding, Inc., Bath, PA; and Lone Star Industries, Inc., Stamford, CT have become members of PCA and RMT, Inc., Madison, WI has become an Associate Member of PCA.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and PCA intends to file additional written notification disclosing all changes in membership.

On January 7, 1985, PCA filed its original notification pursuant to Section 6(a) of the Act. The Department of Justice published a notice in the Federal Register pursuant to Section 6(b) of the Act on February 5, 1985 (50 FR 5015).

The last notification was filed with the Department on June 12, 1995. A notice was published in the Federal Register pursuant to Section 6(b) of the Act on June 29, 1995 (60 FR 33848).

Constance K. Robinson,
Director of Operations, Antitrust Division.
[FR Doc. 96-5769 Filed 3-11-96; 8:45 am]

BILLING CODE 4410-01-M

DEPARTMENT OF LABOR

Mine Safety and Health Administration

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Mine Shift Atmospheric Conditions; Respirable Dust Sample

AGENCIES: Mine Safety and Health Administration, Labor; National Institute for Occupational Safety and Health, Centers for Disease Control and Prevention, Public Health Service, HHS.
ACTION: Notice; reopening of the record; extension of comment period.

SUMMARY: The Mine Safety and Health Administration (MSHA) and the National Institute for Occupational Safety and Health (NIOSH) are reopening the record for their joint notice proposing a finding that the average concentration of respirable dust to which each miner in the active workings of a coal mine is exposed can be measured accurately over a single shift. This finding is being made in accordance with section 202(f) of the Federal Mine Safety and Health Act of 1977 (Mine Act). The Agencies are reopening the record to submit a definition of accuracy, to supply new data and statistical analyses on the precision of coal mine respirable dust measurements obtained using approved sampling equipment, and to allow the public time to review and submit comments on this supplemental information.

DATES: Submit written comments on or before April 11, 1996.

ADDRESSES: Send written comments to the Mine Safety and Health Administration, Office of Standards, Regulations, and Variances; 4015 Wilson Boulevard, Room 631; Arlington, Virginia 22203. Commenters

are requested to submit their comments on a computer disk along with an original hard copy.

FOR FURTHER INFORMATION CONTACT: Ronald J. Schell, Chief, Division of Health, Coal Mine Safety and Health, 703-235-1358.

SUPPLEMENTARY INFORMATION:

I. Background

On February 18, 1994, the Secretaries of Labor and Health and Human Services published a notice in the Federal Register (59 FR 8357) proposing a new finding in accordance with section 202(f) of the Federal Mine Safety and Health Act of 1977 (Mine Act) that the average concentration of respirable dust to which each miner in the active workings of a coal mine is exposed can be accurately measured over a single shift. This proposed finding would supersede the finding issued by the Secretaries on July 17, 1971, and affirmed on February 23, 1972, (37 FR 3833), that a measurement of respirable dust over a single shift only does not accurately represent the atmospheric conditions to which a miner is continuously exposed.

MSHA published a notice in the Federal Register (59 FR 8356) concurrent with publication of the joint notice, announcing its intention to use both single, full-shift respirable dust measurements and the average of multiple, full-shift respirable dust samples to determine noncompliance and to issue citations for violations of the respirable dust standard.

The comment periods for these notices were scheduled to close on April 19, 1994; but, in response to requests from the mining community for additional time in which to prepare their comments, the Agencies extended the comment period to May 29, 1994 (59 FR 16958).

After the comment period closed, MSHA and NIOSH scheduled two public hearings. The first public hearing was held on July 6, 1994, in Morgantown, West Virginia. The second was held on July 19, 1994, in Salt Lake City, Utah. Both public hearings were well attended by the mining community.

Based on remarks made at the public hearings and in response to specific requests from commenters, MSHA supplemented the record with additional data on September 9, 1994. The record, which had been scheduled to close on August 5, 1994 (59 FR 38988), was held open for further comments until September 30, 1994. Subsequently, the mining community requested additional time beyond the

September 30 deadline to review the supplemental information and prepare comments. In response, the Agencies published a notice on September 30, 1994, in the Federal Register (59 FR 50007) extending the comment period until November 30, 1994.

II. Issues

A. Application of the NIOSH Accuracy Criterion

After the close of the comment period, the Agencies reviewed all of the comments, data, and other information which had been submitted into the record. Some of the commenters raised questions regarding the accuracy of single, full-shift measurements, and challenged the Agencies' estimate of measurement imprecision inherent in the current sampling and analytical process. In reviewing these issues, the Agencies concluded that the term "accurately represent," as used in section 202(f), was not defined in the Mine Act, nor had the Agencies supplied an adequate definition to apply to the language of the finding.

Therefore, for purposes of section 202(f), the Secretaries are proposing to apply an accuracy criterion developed and adopted by NIOSH in judging whether a single, full-shift measurement will "accurately represent" the full-shift average atmospheric dust concentration. (*Guidelines for Air Sampling and Analytical Method Development and Evaluation*. DHEW (NIOSH) Publication No. 95-117 (1995)).

The NIOSH Accuracy Criterion requires that a sampling and analytical method be sufficiently accurate so that measurements by the method will come within 25 percent of the corresponding true dust concentration at least 95 percent of the time. Adopting this criterion provides a basis for determining whether a single, full-shift sample by MSHA's sampling and analytical method accurately measures the respirable coal mine dust concentration to which a miner is exposed during the shift in which the sample is collected.

For nearly 20 years, the NIOSH Accuracy Criterion has been used by NIOSH and others in the occupational health professions to validate sampling and analytical methods. This accuracy criterion was devised as a goal for the development and acceptance of sampling and analytical methods capable of generating reliable exposure data for contaminants at or near the Occupational Safety and Health Administration's (OSHA) permissible exposure limits. The Secretaries believe

that the NIOSH Accuracy Criterion is relevant for this proposed finding.

Accordingly, for purposes of section 202(f) of the Mine Act, the Secretaries would consider a single, full-shift measurement to "accurately represent" a specified mine atmosphere if the sampling and analytical method used meets the NIOSH Accuracy Criterion. MSHA and NIOSH specifically solicit comments on the use of the NIOSH Accuracy Criterion to evaluate measurement accuracy.

B. Sampling and Analytical Accuracy

To address commenters' concerns that the Agencies had underestimated measurement imprecision inherent in the currently used sampling and analytical method, MSHA conducted a field study to directly estimate the overall measurement precision attainable when dust samples are collected with currently approved coal mine dust sampling equipment and analyzed using state-of-the-art analytical techniques. The study involved simultaneous field measurements of the same coal mine dust cloud using sampling pumps incorporating constant flow control technology. An automated weighing system, capable of weighing the sample collection filters to the nearest microgram (μg) (0.001 milligram (mg)), was used for determining the pre- and post-exposure weights.

Using a specially designed, portable dust chamber, 22 tests were conducted at various locations in an underground coal mine. Each test consisted of collecting 16 dust samples simultaneously and at the same location. No adjustments in the flow rate were made beyond what would routinely have been done by an MSHA inspector. The filter capsules were weighed to the nearest μg in MSHA's Respirable Dust Weighing Laboratory in Pittsburgh, Pennsylvania, before and after exposure.

Based on the results of this study, MSHA estimates that, for dust samples collected over a 480-minute period, overall measurement imprecision (as measured by the coefficient of variation) decreases from 7.8 percent at dust concentrations of 0.2 mg/m^3 to about 4.3 percent at concentrations greater than 2.0 mg/m^3 . These results apply to dust samples collected using pumps with flow control technology and filter capsules weighed to the nearest μg , both before and after exposure, on a balance calibrated according to the established procedure within MSHA's Respirable Dust Weighing Laboratory.

NIOSH evaluated the accuracy of the sampling and analytical method used by MSHA, using both a direct and indirect

approach. Under the direct approach, NIOSH independently analyzed the results of MSHA's field study and obtained estimates of measurement imprecision consistent with those calculated by MSHA. The NIOSH evaluation demonstrates that the sampling and analytical method, as employed during the field study, meets NIOSH's Accuracy Criterion at concentrations greater than or equal to 0.13 mg/m³. The indirect approach involved combining independently derived estimates, previously placed into the public record, of intra-laboratory weighing imprecision, pump-related variability, and variability associated with physical differences between individual sampler units. This indirect approach indicated that the NIOSH Accuracy Criterion can be met at concentrations greater than or equal to 0.11 mg/m³.

C. Refinements in MSHA's Measurement Process

To ensure that the NIOSH Accuracy Criterion is met over a wide range of dust concentrations, NIOSH has recommended two modifications to MSHA's sampling and analytical method, which have now been adopted. These modifications involve (1) measuring both the pre- and post-exposure weights to the nearest µg on a balance calibrated using the established procedure within MSHA's laboratory; and (2) discontinuing the practice of truncating the recorded weights used in calculating dust concentration. This means that MSHA will no longer ignore digits representing hundredths and thousandths of a milligram. NIOSH's independent analysis of the study data confirmed that, with the two recommended modifications, MSHA's sampling and analytical method for collecting and processing single, full-shift samples would meet the NIOSH Accuracy Criterion at all respirable dust standards greater than or equal to 0.2 mg/m³.

Accordingly, MSHA's existing inspector sample processing and data entry procedures have been changed, and the Agency is now reporting the pre- and post-exposure weights of inspector samples to the nearest µg. In addition, MSHA is now using only constant flow control pumps in the inspector sampling program. MSHA believes that exclusive use of constant-flow pumps, as in the field study, will further enhance the quality of the Agency's sampling program.

D. Precision of Respirable Coal Mine Dust Weighings

As part of MSHA's ongoing measurement assurance program, MSHA also investigated the precision of weighings made to a µg with MSHA's automatic weighing system on a group of filter capsules. This involved weighing the same unexposed filter capsules 139 times over a 218-day period. Statistical imprecision in the difference between two consecutive weighings of the same capsule was calculated in accordance with procedures developed by the National Bureau of Standards (NBS) for the MSHA weighing laboratory in 1981 ('Measurement Assurance Program for Weighings of Respirable Coal Mine Dust Samples'; *Journal of Quality Technology*, 13(3):157-165, (July 1981)). Using the NBS procedure, imprecision in the measured difference between two weighings on different days was estimated to be 6.5 µg. Since this value includes a component of day-to-day variability, it is statistically consistent with the 5.8 µg estimate used by NIOSH in its "indirect" evaluation. (The 5.8 µg estimate, which applies to the standard deviation of the difference between two weighings within the same laboratory on the same day, was derived from an analysis of comparative weighings made on 300 unexposed cassettes. The results of the analysis along with the data on comparative weighings were placed into the public record on September 9, 1994.)

Moreover, the estimate of imprecision in measured weight gain derived from the new field study discussed earlier (9.1 µg), falls only slightly above the 6.5 µg laboratory estimate. This suggests that the process of handling and actually exposing the dust cassette in a mine environment does not add appreciably to the imprecision in measured weight gain.

While investigating the precision of weighings made to a µg, MSHA observed that a gain in the weight of the unexposed filter capsules had occurred over the course of the 218-day period. Analysis of the weighing data showed that the filter capsules increased in weight at the average rate of approximately 0.8 µg per day, beginning after approximately 30 days of unprotected exposure to the laboratory environment. An investigation into possible causes failed to establish the reason for the observed weight gain.

This weight gain was observed only for filter capsules that were left completely exposed and unprotected in the laboratory environment over an extended period of time, a situation

never encountered in actual practice. MSHA also weighed filters that were more than three years old, which had been kept in their original cassettes with both the inlet and outlet ports capped. These showed no evidence of weight gain. Both MSHA and NIOSH conclude that the weight gains observed in the 218-day laboratory investigation are irrelevant to the accuracy of the sampling and analytical process used in MSHA's respirable coal mine dust sampling program. This is because, in conjunction with the MSHA respirable coal mine dust program, all dust samples analyzed by the Pittsburgh Weighing Laboratory are processed within 24 hours after arriving in the laboratory.

E. Documentation

Documentation of the analyses conducted by MSHA and NIOSH, as well as the field data used to derive the new estimates of measurement imprecision, are available from the MSHA Office of Standards, Regulations, and Variances. The Agencies are publishing this notice to re-open the record and to seek public comment on this new information.

III. Request for Comments

The Agencies specifically request comments on the following:

1. The use of the NIOSH Accuracy Criterion as the basis for finding that a single, full-shift measurement will accurately represent the respirable dust concentration to which a miner is exposed during such shift; and
2. The experimental field data, which NIOSH has concluded demonstrate that MSHA's sampling and analytical method meets the NIOSH Accuracy Criterion at dust concentrations of 0.2 mg/m³ and above.

Dated: March 6, 1996.

J. Davitt McAteer,
Assistant Secretary for Mine Safety and Health.

Dated: March 6, 1996.

Linda Rosenstock,
Director, National Institute for Occupational Safety and Health.

[FR Doc. 96-5829 Filed 3-7-96; 4:12 pm]

BILLING CODE 4510-43-P

Pension and Welfare Benefits Administration

[Application No. D-10142, et al.]

Proposed Exemptions; Budge Clinic Profit Sharing Plan and Trust (the Plan)

AGENCY: Pension and Welfare Benefits Administration, Labor.

ACTION: Notice of proposed exemptions.

SUMMARY: This document contains notices of pendency before the Department of Labor (the Department) of proposed exemptions from certain of the prohibited transaction restriction of the Employee Retirement Income Security Act of 1974 (the Act) and/or the Internal Revenue Code of 1986 (the Code).

Written Comments and Hearing Requests

Unless otherwise stated in the Notice of Proposed Exemption, all interested persons are invited to submit written comments, and with respect to exemptions involving the fiduciary prohibitions of section 406(b) of the Act, requests for hearing within 45 days from the date of publication of this Federal Register Notice. Comments and request for a hearing should state: (1) The name, address, and telephone number of the person making the comment or request, and (2) the nature of the person's interest in the exemption and the manner in which the person would be adversely affected by the exemption. A request for a hearing must also state the issues to be addressed and include a general description of the evidence to be presented at the hearing. A request for a hearing must also state the issues to be addressed and include a general description of the evidence to be presented at the hearing.

ADDRESSES: All written comments and request for a hearing (at least three copies) should be sent to the Pension and Welfare Benefits Administration, Office of Exemption Determinations, Room N-5649, U.S. Department of Labor, 200 Constitution Avenue, NW., Washington, DC 20210. Attention: Application No. stated in each Notice of Proposed Exemption. The applications for exemption and the comments received will be available for public inspection in the Public Documents Room of Pension and Welfare Benefits Administration, U.S. Department of Labor, Room N-5507, 200 Constitution Avenue, NW., Washington, DC 20210.

Notice to Interested Persons

Notice of the proposed exemptions will be provided to all interested persons in the manner agreed upon by the applicant and the Department within 15 days of the date of publication in the Federal Register. Such notice shall include a copy of the notice of proposed exemption as published in the Federal Register and shall inform interested persons of their right to comment and to request a hearing (where appropriate).

SUPPLEMENTARY INFORMATION: The proposed exemptions were requested in applications filed pursuant to section 408(a) of the Act and/or section 4975(c)(2) of the Code, and in accordance with procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990). Effective December 31, 1978, section 102 of Reorganization Plan No. 4 of 1978 (43 FR 47713, October 17, 1978) transferred the authority of the Secretary of the Treasury to issue exemptions of the type requested to the Secretary of Labor. Therefore, these notices of proposed exemption are issued solely by the Department.

The applications contain representations with regard to the proposed exemptions which are summarized below. Interested persons are referred to the applications on file with the Department for a complete statement of the facts and representations.

Budge Clinic Profit Sharing Plan and Trust (the Plan), Located in Logan, Utah [Application No. D-10142]

Proposed Exemption

The Department is considering granting an exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990). If the exemption is granted the restrictions of sections 406(a), 406(b)(1) and (b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1) (A) through (E) of the Code, shall not apply to the proposed sale of certain improved real property located in Logan, Utah (the Property) by the Plan to IHC Health Services, Inc., a party in interest with respect to the Plan; provided that the following conditions are satisfied:

(A) All terms and conditions of the transaction are no less favorable to the Plan than those which the Plan could obtain in an arm's-length transaction with an unrelated party;

(B) The Plan receives a cash purchase price for the Property which is no less than the fair market value of the Property as of the sale date; and

(C) The Plan does not incur any expenses or suffer any loss with respect to the transaction.

Summary of Facts and Representations

1. The Plan is a defined contribution pension plan with 111 participants and total assets of \$7,070,904 as of December 31, 1994. The Plan is sponsored by the Budge Clinic, Inc. (the Employer), a

Utah professional corporation engaged in the provision of medical services in Logan, Utah. Effective September 12, 1995, substantially all of the assets of the Employer were acquired (the Acquisition) by IHC Health Services, Inc. (IHC). IHC is a wholly-owned subsidiary of Intermountain Health Care, Inc., the subsidiaries and affiliates of which provide health care through a system of hospitals, clinics, HMOs, and PPOs in Utah, Wyoming and Idaho. The Plan's trustee is Neal Byington (the Trustee), an employee of the Employer.

2. The Employer's place of business is a clinic facility (the Clinic) located at 225 East 400 North in Logan, Utah. The Clinic consists of a 22,374 square foot medical clinic building (the Building) and adjacent parking area situated on a commercially-zoned lot (the Land) measuring 74,923 square feet. The Employer owns 24,298 square feet of the Land, which is additional parking space at the rear of the Clinic lot (the Employer Property). The remaining 50,625 square feet of the Land, occupied by paved parking space and the Building (together, the Plan Property), are owned by the Plan and leased to the Employer pursuant to a 21-year lease (the Lease) executed on January 1, 1980. The Employer's lease of the Property from the Plan is exempt from the prohibited transactions provisions of the Act by virtue of an individual administrative exemption, Prohibited Transaction Exemption 81-97 (PTE 81-97, 46 FR 53815, October 30, 1981). The interests of the Plan under the Lease are represented by an independent fiduciary (the Fiduciary), who protects the Plan's interests and monitors the Employer's compliance with the terms and conditions of the Lease. Upon commencement of the Lease, the Fiduciary was Roland R. Hancey, an officer with Zion's First National Bank (the Bank) in Logan, Utah, but Mr. Hancey has retired. The successor to Mr. Hancey as independent fiduciary is Karl Ward, a trust officer with the Bank who continues to serve as Fiduciary under the Lease and for purposes of PTE 81-97.

3. The Employer represents that as part of the Acquisition, virtually all of the employees of the Employer have become employees of IHC. The Employer and IHC have agreed that the Plan will be terminated effective December 31, 1995, and they intend to offer all Plan participants the opportunity to receive a cash distribution of their account balances in the Plan or to "roll over" their account balances into an I.R.A. or into the defined contribution plan maintained by IHC. As part of the Acquisition, IHC

has agreed to purchase the Plan Property from the Plan, in order to enable the rapid liquidation of that Plan asset and to secure for the Employer the continued use and occupancy of the Plan Property. The Employer and IHC are requesting an exemption to permit this purchase transaction under the terms and conditions described herein.

4. It is proposed that IHC will make a single cash payment to the Plan for the Plan Property in the amount of no less than the fair market value of the Plan Property as of the sale date, but in no event less than \$1,180,000. The Plan Property has been appraised by Thomas D. Singleton, MAI (Singleton), a professional independent real estate appraiser in Logan, Utah. Singleton represents that as of December 31, 1994, the Plan Property had a fair market value of \$1,180,000. Singleton's appraisal recognizes the Employer's ownership of an adjacent parcel, the Employer Property, as well as the Employer's proposal to purchase the Plan Property, and the resulting valuation reflects a premium price for the Plan Property because of the Employer's current and proposed occupancy of the Property and its ownership of the adjacent parcel. Singleton states that he based the appraisal on the assumption that the Employer will continue to lease/occupy the Plan Property because the value would likely decrease if the Employer were to vacate and move elsewhere, due to (a) the local market's inability to support more than one clinic of a size comparable to the Employer, and (b) the market trend toward greater centralization of medical facilities near major hospital campuses, such as the Logan Hospital which has relocated to a different part of the city. Regarding the Employer's ownership of the adjacent Employer Property, Singleton determined that it would not be economically feasible to separate the adjoining parcels physically or to consider them separately for valuation purposes. Singleton determined the value of the Plan Property by deducting from his valuation of the entire combined parcel his estimate of the value of the Employer Property. As part of the proposed purchase transaction, Singleton's appraisal will be updated as of the purchase date, and the purchase price will be the greater of \$1,180,000 or the fair market value as of the sale date in accordance with the update of Singleton's appraisal. The Plan will not incur any expenses related to the transaction. The Employer will continue to occupy the Plan Property under the Lease through the date of the proposed

transaction, and thereafter the Employer will occupy the Clinic under the authority of IHC. The Employer represents that the proposed transaction is in the best interests and protective of the participants and beneficiaries of the Plan because it will enable the Plan to make allocations of cash to the Accounts representing their pro-rata interests in the Plan Property as a Plan asset, and the Plan will receive a purchase price of no less than the fair market value of the Plan Property at the time of the transaction.

5. The Fiduciary represents that there have been no events of default by the Employer under the Lease and that each rental payment due under the Lease has been timely made to the Plan. The Fiduciary states that he has caused the Plan Property to be appraised periodically for its fair market rental value as required under the Lease and that the rent payable under the Lease has been increased in accordance with such appraisals. The Fiduciary represents that in all respects the Employer has been and continues to be in compliance with the terms and conditions of the Lease. The Trustee also represents that there have never been any events of default under the Lease.

6. In summary, the applicant represents that the proposed transaction satisfies the criteria of section 408(a) of the Act for the following reasons: (a) The Plan, which is terminating, will receive cash for the Plan Property for allocation to the Accounts on a pro-rata basis, to enable Plan participants to receive cash distributions or to "roll over" into another plan or an I.R.A.; (b) The purchase price will be no less than the fair market value of the Plan Property as of the sale date as determined by Singleton's updated appraisal, and in no event less than \$1,180,000; and (c) the Plan will not incur any expenses related to the proposed transaction.

FOR FURTHER INFORMATION CONTACT: Ronald Willett of the Department, telephone (202) 219-8881. (This is not a toll-free number.)

C.C.L. Label, Inc., 401(k) Profit-Sharing Plan (the Plan), Located in Grand Rapids, Michigan

[Application No. D-10168]

Proposed Exemption

The Department is considering granting an exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990).

If the exemption is granted, the restrictions of section 406(a), 406 (b)(1) and (b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1)(A) through (E) of the Code, shall not apply to the proposed sale by the Plan of certain publicly traded limited partnership interests (the Interests) to CCL Label, Inc. (CCL), a party in interest with respect to the Plan, provided that the following conditions are satisfied: (1) the sale is a one-time transaction for cash; (2) the Plan pays no commissions nor other expenses relating to the sale; and (3) the purchase price is the greater of: (a) the fair market value of the Interests as of the date of the sale, or (b) the original acquisition cost of the Interests.

Summary of Facts and Representations

1. The Plan is a profit sharing plan sponsored by CCL. CCL, a Michigan corporation, is a member of a controlled group of corporations and is engaged in the manufacture of decorative labels. The Plan has approximately 481 participants and beneficiaries. As of December 31, 1994, the Plan had total assets of approximately \$9,914,333.31. The trustee of the Plan is Comerica Bank, N.A.

2. Among the assets of the Plan are the Interests, which are 5,644 shares of the Aetna Real Estate Association Partnership (the Partnership). The Plan acquired the Interests on January 1, 1989, when the American Design, Inc. Profit Sharing Retirement Plan (the American Design Plan) was merged into, and survived by, the Plan. The American Design Plan acquired the Interests in 1986 for a total of \$112,880 (\$20 per share). The Partnership has made cash distributions with respect to the Interests in the cumulative amount of \$52,037.68 (\$9.22 per share), as of November 15, 1995.

The Partnership is open-ended, with no set term. The Partnership originally invested in 15 properties, two of which have been sold, leaving thirteen. The applicant represents that the Partnership intends to continue holding the remaining 13 properties until the real estate market has completely rebounded from the depressed prices of the past few years.

3. The applicant represents that although the Interests are publicly traded, they are very thinly traded and generally sell for considerably less than their net asset value.¹ Moreover, the net asset value of the Interests has been

¹ The Department expresses no opinion herein on whether the acquisition and holding of the Units by the Plan violated any of the provisions of Part 4 of Title I in the Act.

declining. As of December 31, 1994, the net asset value of the Interests as determined by Independent Property Appraisals, an independent valuation service, was \$14.96 per share, a total of \$84,434.24. A summary of the trades of other shares of the Partnership on the secondary market for the period between February 1, 1995 and February 28, 1995 as reported in the *Investment Advisor* shows that the average price per share during that period was \$7.52, which would make the Interests worth \$42,443.

4. In order to divest the Plan of an under-performing asset, CCL proposes to purchase the Interests from the Plan for the greater of: (a) The fair market value of the Interests as of the date of the sale, or (b) the Interests' original acquisition cost to the American Design Plan. Because the fair market value of the Interests is less than their acquisition cost, CCL will purchase the Interests from the Plan for the latter amount. Accordingly, CCL will pay the Plan a purchase price of \$112,880.

Taking into account a purchase price of \$112,880 and all cash distributions received, the applicant represents that the Interests will provide a simple average annual return of approximately five percent for each of the nine years that the Plan (and its predecessor) have held the Interests. The sale will be a one-time transaction for cash, and the Plan will pay no commissions nor other expenses relating to the sale.

The applicant represents that the proposed transaction is in the interests of the Plan because the Plan cannot sell the Interests on the open market without incurring a substantial loss. The proceeds from the sale are to be redirected into more productive investments.

5. In summary, the applicant represents that the proposed transaction satisfies the statutory criteria for an exemption under section 408(a) of the Act for the following reasons: (1) The sale will be a one-time transaction for cash; (2) the Plan will pay no commissions nor other expenses relating to the sale; and (3) the purchase price will be the greater of: (a) The fair market value of the Interests as of the date of the sale, or (b) the original acquisition cost of the Interests.

Tax Consequences of Transaction

The Department of the Treasury has determined that if a transaction between a qualified employee benefit plan and its sponsoring employer (or affiliate thereof) results in the plan either paying less than or receiving more than fair market value, such excess may be considered to be a contribution by the

sponsoring employer to the plan and therefore must be examined under applicable provisions of the Code, including sections 401(a)(4), 404 and 415.

Notice to Interested Persons

Notice of the proposed exemption shall be given to all interested persons by personal delivery and by first-class mail within 10 days of the date of publication of the notice of pendency in the Federal Register. Such notice shall include a copy of the notice of proposed exemption as published in the Federal Register and shall inform interested persons of their right to comment and/or to request a hearing with respect to the proposed exemption. Comments and requests for a hearing are due within 40 days of the date of publication of this notice in the Federal Register.

FOR FURTHER INFORMATION CONTACT: Ms. Karin Weng of the Department, telephone (202) 219-8881. (This is not a toll-free number.)

Dauphin Deposit Bank and Trust Company, Located in Harrisburg, Pennsylvania

[Application No. D-10187]

Proposed Exemption

The Department is considering granting an exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code and in accordance with the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, August 10, 1990).

Section I—Exemption for In-Kind Transfer of CIF Assets

If the exemption is granted, the restrictions of sections 406(a) and 406(b) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1) (A) through (F) of the Code, shall not apply to the proposed in-kind transfer of assets of plans for which Dauphin Deposit Bank and Trust Company (Dauphin) acts as a fiduciary (the Client Plans), other than plans established and maintained by Dauphin (the Banks Plans), that are held in certain collective investment funds maintained by Dauphin (CIFs) in exchange for shares of the Marketvest Funds (the Funds), open-end investment companies registered under the Investment Company Act of 1940 (the 1940 Act), in situations where Dauphin acts as investment advisor for the Fund and may provide some other "Secondary Service" to the Fund as defined in Section V(h), in connection with the termination of such CIFs, provided that the following conditions

and the general conditions of Section III are met:

(a) No sales commissions or other fees are paid by the Client Plans in connection with the purchase of Fund shares through the in-kind transfer of CIF assets, and no redemption fees are payable in connection with the sale of such shares by the Client Plans to the Funds.

(b) Each Client Plan receives shares of a Fund which have a total net asset value that is equal to the value of the Plan's pro rata share of the assets of the CIF on the date of the in-kind transfer, based on the current market value of the CIF's assets as determined in a single valuation performed in the same manner at the close of that business day using independent sources in accordance with Rule 17a-7 of the Securities and Exchange Commission (SEC) under the 1940 Act (see 17 CFR 270.17a-7) and the procedures established by the Funds pursuant to Rule 17a-7 for the independent valuation of such assets. Such procedures must require that all securities for which a current market price cannot be obtained by reference to the last sale price for transactions reported on a recognized securities exchange or NASDAQ be valued based on an average of the highest current independent bid and lowest current independent offer, as of the close of business on the Friday preceding the weekend of the CIF transfers, determined on the basis of reasonable inquiry from at least three sources that are broker-dealers or pricing services independent of Dauphin.

(c) All or a pro rata portion of the assets of a Client Plan held in a CIF are transferred in-kind to the Funds in exchange for shares of such Funds.

(d) A second fiduciary who is independent of and unrelated to Dauphin (the Second Fiduciary) receives advance written notice of the in-kind transfer of assets of the CIFs and full written disclosure of information concerning the Funds, including:

(1) A current prospectus for each Fund in which a Client Plan is considering investing;

(2) A statement describing the fees for investment advisory or similar services, any secondary services as defined in Section IV(h), and all other fees to be charged to or paid by the Client Plan and by the Funds, including the nature and extent of any differential between the rates of such fees;

(3) The reasons why Dauphin considers investing in the Fund is an appropriate investment decision for the Client Plan;

(4) A statement describing whether there are any limitations applicable to Dauphin with respect to which assets of a Client Plan may be invested in a Fund, and, if so, the nature of such limitations; and

(5) Upon request of the Second Fiduciary, a copy of the proposed exemption and/or a copy of the final exemption, if granted, once such documents are published in the Federal Register.

(e) After consideration of the foregoing information, the Second Fiduciary authorizes in writing the in-kind transfer of the Client Plan's CIF assets to a corresponding Fund in exchange for shares of the Fund.

(f) For all in-kind transfers of CIF assets to a Fund, Dauphin sends by regular mail to each affected Client Plan the following information:

(1) Within 30 days after completion of the transaction, a written confirmation containing:

(i) The identity of each security that was valued for purposes of the transaction in accordance with Rule 17a-7(b)(4);

(ii) The price of each such security involved in the transaction;

(iii) The identity of each pricing service or market-maker consulted in determining the value of such securities; and

(2) Within 90 days after completion of each in-kind transfer, a written confirmation containing:

(i) The number of CIF units held by the Client Plan immediately before the transfer, the related per unit value, and the total dollar amount of such CIF units; and

(ii) The number of shares in the Funds that are held by the Client Plan following the transfer, the related per share net asset value, and the total dollar amount of such shares.

(g) The conditions set forth in paragraphs (e), (f) and (n) of Section II below are satisfied.

Section II—Exemption for Receipt of Fees

If the exemption is granted, the restrictions of section 406(a) and 406(b) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1) (A) through (F) of the Code, shall not apply to the proposed receipt of fees by Dauphin from the Funds for acting as an investment adviser for the Funds as well as for providing other services to the Funds which are "Secondary Services" as defined in Section V(h), in connection with the investment by the Client Plans in shares of the Funds, provided that the following conditions

and the general conditions of Section III are met:

(a) Each Client Plan satisfies either (but not both) of the following:

(1) The Client Plan receives a cash credit of such Plan's proportionate share of all fees charged to the Funds by Dauphin for investment advisory services, including any investment advisory fees paid by Dauphin to third party sub-advisers, no later than the same day as the receipt of such fees by Dauphin. The crediting of all such fees to the Client Plans by Dauphin is audited by an independent accounting firm on at least an annual basis to verify the proper crediting of the fees to each Plan.

(2) The Client Plan does not pay any Plan-level investment management fees, investment advisory fees, or similar fees to Dauphin with respect to any of the assets of such Plan which are invested in shares of any of the Funds. This condition does not preclude the payment of investment advisory or similar fees by the Funds to Dauphin under the terms of an investment management agreement adopted in accordance with section 15 of the 1940 Act, nor does it preclude the payment of fees for Secondary Services to Dauphin pursuant to a duly adopted agreement between Dauphin and the Funds.

(b) The price paid or received by a Client Plan for shares in a Fund is the net asset value per share at the time of the transaction, as defined in Section V(e), and is the same price which would have been paid or received for the shares by any other investor at that time.

(c) Dauphin, including any officer or director of Dauphin, does not purchase or sell shares of the Funds from or to any Client Plan.

(d) No sales commissions are paid by the Client Plans in connection with the purchase or sale of shares of the Funds and no redemption fees are paid in connection with the sale of shares by the Client Plans to the Funds.

(e) For each Client Plan, the combined total of all fees received by Dauphin for the provision of services to a Client Plan, and in connection with the provision of services to the Funds in which the Client Plan may invest, are not in excess of "reasonable compensation" within the meaning of section 408(b)(2) of the Act.

(f) Dauphin does not receive any fees payable pursuant to Rule 12b-1 under the 1940 Act in connection with the transactions.

(g) The Client Plans are not employee benefit plans sponsored or maintained by Dauphin.

(h) The Second Fiduciary receives, in advance of any initial investment by the Client Plan in a Fund, full and detailed written disclosure of information concerning the Funds, including but not limited to:

(1) A current prospectus for each Fund in which a Client Plan is considering investing;

(2) A statement describing the fees for investment advisory or similar services, any secondary services as defined in Section IV(h), and all other fees to be charged to or paid by the Client Plan and by the Funds, including the nature and extent of any differential between the rates of such fees;

(3) The reasons why Dauphin may consider such investment to be appropriate for the Client Plan;

(4) A statement describing whether there are any limitations applicable to Dauphin with respect to which assets of a Client Plan may be invested in the Funds, and if so, the nature of such limitations; and

(5) Upon request of the Second Fiduciary, a copy of the proposed exemption and/or a copy of the final exemption, if granted, once such documents are published in the Federal Register.

(i) After consideration of the information described above in paragraph (h), the Second Fiduciary authorizes in writing the investment of assets of the Client Plan in each particular Fund and the fees to be paid by such Funds to Dauphin.

(j) All authorizations made by a Second Fiduciary regarding investments in a Fund and the fees paid to Dauphin are subject to an annual reauthorization wherein any such prior authorization referred to in paragraph (i) shall be terminable at will by the Client Plan, without penalty to the Client Plan, upon receipt by Dauphin of written notice of termination. A form expressly providing an election to terminate the authorization described in paragraph (i) above (the Termination Form) with instructions on the use of the form must be supplied to the Second Fiduciary no less than annually; provided that the Termination Form need not be supplied to the Second Fiduciary pursuant to this paragraph sooner than six months after such Termination Form is supplied pursuant to paragraph (l) below, except to the extent required by such paragraph in order to disclose an additional service or fee increase. The instructions for the Termination Form must include the following information:

(1) The authorization is terminable at will by the Client Plan, without penalty to the Client Plan, upon receipt by

Dauphin of written notice from the Second Fiduciary; and

(2) Failure to return the Termination Form will result in continued authorization of Dauphin to engage in the transactions described in paragraph (i) on behalf of the Client Plan.

(k) For each Client Plan using the fee structure described in paragraph (a)(1) above with respect to investments in a particular Fund, the Second Fiduciary of the Client Plan receives full written disclosure in a Fund prospectus or otherwise of any increases in the rates of fees charged by Dauphin to the Funds for investment advisory services.

(l) (1) For each Client Plan using the fee structure described in paragraph (a)(2) above with respect to investments in a particular Fund, an increase in the rate of fees paid by the Fund to Dauphin regarding any investment management services, investment advisory services, or similar services that Dauphin provides to the Fund over an existing rate for such services that had been authorized by a Second Fiduciary in accordance with paragraph (i) above; or

(2) For any Client Plan under this proposed exemption, an addition of a Secondary Service (as defined in Section IV(h) below) provided by Dauphin to the Fund for which a fee is charged, or an increase in the rate of any fee paid by the Funds to Dauphin for any Secondary Service that results either from an increase in the rate of such fee or from the decrease in the number of kind of services performed by Dauphin for such fee over an existing rate for such Secondary Service which had been authorized by the Second Fiduciary of a Client Plan in accordance with paragraph (i) above;

Dauphin will, at least 30 days in advance of the implementation of such additional service for which a fee is charged or fee increase, provide a written notice (which may take the form of a proxy statement, letter, or similar communication that is separate from the prospectus of the Fund and which explains the nature and amount of the additional service for which a fee is charged or of the increase in fees) to the Second Fiduciary of the Client Plan. Such notice shall be accompanied by a Termination Form with instructions as described in paragraph (i) above.

(m) On an annual basis, Dauphin provides the Second Fiduciary of a Client Plan investing in the Funds with:

(1) A copy of the current prospectus for the Funds in which the Client Plan invests and, upon such fiduciary's request, a copy of the Statement of Additional Information for such Funds which contains a description of all fees paid by the Funds to Dauphin;

(2) A copy of the annual financial disclosure report prepared by Dauphin which includes information about the Fund portfolios as well as audit findings of an independent auditor within 60 days of the preparation of the report; and

(3) Oral or written responses to inquiries of the Second Fiduciary as they arise.

(n) With respect to each of the Funds in which a Client Plan invests, in the event such Fund places brokerage transactions with Dauphin, Dauphin will provide the Second Fiduciary of such Plan at least annually with a statement specifying:

(1) The total, expressed in dollars, of brokerage commissions of each Fund that are paid to Dauphin by such Fund;

(2) The total, expressed in dollars, of brokerage commissions of each Fund that are paid by such Fund to brokerage firms unrelated to Dauphin;

(3) The average brokerage commissions per share, expressed as cents per share, paid to Dauphin by each Fund; and

(4) The average brokerage commissions per share, expressed as cents per share, paid by each Fund to brokerage firms unrelated to Dauphin.

(o) All dealings between the Client Plans and the Funds are on a basis no less favorable to the Plans than dealings with other shareholders of the Funds.

Section III—General Conditions

(a) Dauphin maintains for a period of six years the records necessary to enable the persons described below in paragraph (b) to determine whether the conditions of this exemption have been met, except that (1) a prohibited transaction will not be considered to have occurred if, due to circumstances beyond the control of Dauphin, the records are lost or destroyed prior to the end of the six-year period, and (2) no party in interest other than Dauphin or an affiliate shall be subject to the civil penalty that may be assessed under section 502(i) of the Act or to the taxes imposed by section 4975 (a) and (b) of the Code if the records are not maintained or are not available for examination as required by paragraph (b) below.

(b) (1) Except as provided below in paragraph (b)(2) and notwithstanding any provisions of section 504(a)(2) of the Act, the records referred to in paragraph (a) are unconditionally available at their customary location for examination during normal business hours by—

(i) Any duly authorized employee or representative of the Department or the Internal Revenue Service,

(ii) Any fiduciary of the Client Plans who has authority to acquire or dispose of shares of the Funds owned by the Client Plans, or any duly authorized employee or representative of such fiduciary, and

(iii) Any participant or beneficiary of the Client Plans or duly authorized employee or representative of such participant or beneficiary;

(2) None of the persons described in paragraph (b)(1) (ii) and (iii) shall be authorized to examine trade secrets of Dauphin, or commercial or financial information which is privileged or confidential.

Section IV—Definitions

For purposes of this proposed exemption:

(a) The term "Dauphin" means Dauphin Deposit Bank and Trust Company and any affiliate thereof as defined below in paragraph (b) of this section.

(b) An "affiliate" of a person includes:

(1) Any person directly or indirectly through one or more intermediaries, controlling, controlled by, or under common control with the person;

(2) Any officer, director, employee, relative, or partner in any such person; and

(3) Any corporation or partnership of which such person is an officer, director, partner, or employee.

(c) The term "control" means the power to exercise a controlling influence over the management or policies of a person other than an individual.

(d) The term "Fund" or "Funds" shall include the Marketvest Funds, Inc. or any other diversified open-end investment company or companies registered under the 1940 Act for which Dauphin serves as an investment adviser and may also serve as a custodian, dividend disbursing agent, shareholder servicing agent, transfer agent, Fund accountant, or provide some other "Secondary Service" (as defined below in paragraph (h) of this Section) which has been approved by such Funds.

(e) The term "net asset value" means the amount for purposes of pricing all purchases and sales calculated by dividing the value of all securities, determined by a method as set forth in the Fund's prospectus and statement of additional information, and other assets belonging to the Fund or portfolio of the Fund, less the liabilities charged to each such portfolio or Fund, by the number of outstanding shares.

(f) The term "relative" means a "relative" as that term is defined in section 3(15) of the Act (or a "member

of the family" as that term is defined in section 4975(e)(6) of the Code), or a brother, a sister, or a spouse of a brother or a sister.

(g) The term "Second Fiduciary" means a fiduciary of a Client Plan who is independent of and unrelated to Dauphin. For purposes of this exemption, the Second Fiduciary will not be deemed to be independent of and unrelated to Dauphin if:

(1) Such fiduciary directly or indirectly controls, is controlled by, or is under common control with Dauphin;

(2) Such fiduciary, or any officer, director, partner, employee, or relative of the fiduciary is an officer, director, partner or employee of Dauphin (or is a relative of such persons);

(3) Such fiduciary directly or indirectly receives any compensation or other consideration for his or her own personal account in connection with any transaction described in this proposed exemption.

If an officer, director, partner or employee of Dauphin (or relative of such persons), is a director of such Second Fiduciary, and if he or she abstains from participation in (i) the choice of the Client Plan's investment adviser, (ii) the approval of any such purchase or sale between the Client Plan and the Funds, and (iii) the approval of any change in fees charged to or paid by the Client Plan in connection with any of the transactions described in Sections I and II above, then paragraph (g)(2) of this section shall not apply.

(h) The term "Secondary Service" means a service other than an investment management, investment advisory, or similar service, which is provided by Dauphin to the Funds. However, for purposes of Section II(k), the term "Secondary Service" will not include any brokerage services provided to the Funds by Dauphin for the execution of securities transactions engaged in by the Funds.

(i) The term "Termination Form" means the form supplied to the Second Fiduciary which expressly provides an election to the Second Fiduciary to terminate on behalf of a Client Plan the authorization described in paragraph (h) of Section II. Such Termination Form may be used at will by the Second Fiduciary to terminate an authorization without penalty to the Client Plan and to notify Dauphin in writing to effect a termination by selling the shares of the Funds held by the Client Plan requesting such termination within one business day following receipt by Dauphin of the form; provided that if, due to circumstances beyond the control of Dauphin, the sale cannot be executed within one business day, Dauphin shall

have one additional business day to complete such sale.

EFFECTIVE DATE: If the proposed exemption is granted, the exemption will be effective as of March 29, 1996.

Summary of Facts and Representations

1. Dauphin is a banking corporation of the Commonwealth of Pennsylvania that serves as trustee, investment manager and/or custodian to employee benefit plans. As of December 31, 1994, Dauphin provided trust services to approximately 1,000 employee benefit trusts, and had total assets under management of approximately \$723 million.

2. Dauphin acts as a trustee, directed trustee, investment manager, and/or custodian for the Client Plans. The Client Plans may include various pension, profit sharing, and stock bonus plans as well as voluntary employees' beneficiary associations, supplemental unemployment benefit plans, simplified employee benefit plans, retirement plans for self-employed individuals (i.e. Keogh Plans) and individual retirement accounts (IRAs). Some of the Client Plans may be participant-directed individual account plans.

As custodian of a Client Plan, Dauphin is responsible for maintaining custody over all or a portion of the Client Plan's assets, for providing trust accounting and valuation services, for asset and transaction reporting, and for execution and settlement of directed transactions. Where Dauphin serves as trustee or directed trustee, it is responsible for ownership of the assets of the Client Plan, and may provide additional trust services such as benefit payments, loan processing, and participant accounting. Where Dauphin is also acting as the investment manager, Dauphin has investment discretion over the Client Plan's assets and is responsible for implementing the Plan's funding policies and investment objectives, executing transactions, and periodic performance measurements.

The Client Plans pay fees in accordance with fee schedules negotiated with Dauphin. Fees vary from fixed amounts to asset-based amounts, depending on the level of services provided, and may include further charges for additional trust services such as processing benefit payments.

Dauphin maintains three CIFs specifically for its employee benefit plan trust customers, such as the Client Plans. These CIFs are: (a) The Employee Benefit Equity Fund; (b) the Employee Benefit Fixed Income Fund; and (c) the Employee Benefit Short-Term Fixed Income Fund. The CIFs are utilized for

those Client Plans for which Dauphin serves as trustee and/or investment manager. The applicant states that the CIFs allow Dauphin to provide professional investment management with appropriate degrees of investment diversification to Client Plans of all sizes.

The specific Client Plans of Dauphin to which this proposed exemption, if granted, would apply are those: (a) Whose assets are invested in the CIFs and will be transferred to the Funds; or (b) whose assets will be invested directly in the Funds.

However, Dauphin does not seek relief for investments in the Funds by the Bank Plans.²

3. The Funds will be a Maryland corporation registered as an open-end investment company with the SEC under the 1940 Act. The Funds will consist of a series of investment portfolios (each a "Fund") representing distinct investment vehicles, which will have their own prospectuses or joint prospectuses with one or more other Funds. The shares of each Fund will represent a proportionate interest in the assets of that Fund.

The Funds that will be available for investment in connection with the transactions described herein are the following: (a) The Equity Fund; (b) the Short-Term Bond Fund; and (c) the Intermediate U.S. Government Bond Fund. Additional Funds may be created in the future which could be used for investment by the Client Plans.

The overall management of the Funds, including the negotiation of investment advisory contracts, will rest with each Fund's Board of Directors, more than a majority of whose members will be independent of Dauphin. The Board of Directors will be elected by the shareholders of the Funds.

Dauphin will serve as the investment adviser to each Fund and will receive maximum investment advisory fees from each Fund that will vary between 0.75% and 1.00% of the Fund's average net assets on an annual basis, depending on the particular Fund. However, these

² Dauphin represents that it will comply with the requirements of Prohibited Transaction Exemption (PTE) 77-3, 42 FR 18734 (April 8, 1977), with respect to any investments in the Funds made by the Bank Plans. PTE 77-3 permits the acquisition or sale of shares of a registered, open-end investment company by an employee benefit plan covering only employees of such investment company, employees of the investment adviser or principal underwriter for such investment company, or employees of any affiliated person (as defined therein) of such investment adviser or principal underwriter, provided certain conditions are met. The Department is expressing no opinion in this proposed exemption regarding whether any of the transactions with the Funds by the Bank Plans would be covered by PTE 77-3.

fees will be subject to voluntary waivers by Dauphin and initially will be between 0.49% and 0.80% of the Fund's average net assets. Dauphin also will serve as custodian of the Funds and will receive a custodial services fee.

The other service-providers to the Funds will be independent of and unaffiliated with Dauphin. Such service-providers currently will include: (a) Federated Administrative Services, which will act as the Fund's administrator; (b) Edgewood Services, Inc., a subsidiary of Federated Investors, which will act as the Fund's distributor; and (c) Federated Services Co., which will act as the transfer agent, dividend disbursing agent and portfolio accountant for the Fund.

The Funds will be able to charge a distribution fee of 0.25% of a Fund's average net assets, pursuant to Rule 12b-1 under the 1940 Act. Dauphin represents that such 12b-1 fees will be dormant at the outset of the Funds and will not be charged to the investments of any of the Client Plans. Dauphin states that if the 12b-1 fee is activated at any time, the Funds will create a separate class of shares not subject to the 12b-1 fee, and the Client Plans will be invested in that separate class of shares. Therefore, Dauphin will not receive any fees payable pursuant to Rule 12b-1 under the 1940 Act in connection with the transactions.

The Funds will also be able to charge fees of 0.25% under a shareholder services plan. However, the Client Plans will not be subject to these shareholder services fees.

4. Dauphin will be making the Funds available to the Client Plans as replacements for the CIFs. Dauphin believes that there are material advantages to the Client Plans from the use of the Funds, and Dauphin's customers are interested in having mutual funds available as investment vehicles for their employee benefit plan trust accounts. Mutual funds are valued on a daily basis, whereas the CIFs were valued monthly. The daily valuation permits: (i) Immediate investment of Plan contributions in varied types of investments; (ii) greater flexibility in transferring assets from one type of investment to another; and (iii) daily redemption of investments for purposes of making distributions. In addition, information concerning the investment performance of mutual funds is generally available each day in newspapers of general circulation, which will allow Client Plan sponsors and participants to monitor the performance of their investments on a daily basis. Furthermore, unlike CIF units, mutual fund shares can be given

to participants in plan distributions, thus avoiding the expense and delay of liquidating plan investments and facilitating roll-overs into IRAs.

Investments by Client Plans in the Funds will occur in two ways. First, the CIFs which are maintained by Dauphin for the Client Plans are scheduled to be terminated on March 29, 1996, and the assets of the CIFs will be transferred in-kind to the corresponding Funds on behalf of those Client Plans for which independent fiduciary approval for the transfer is obtained. Second, Client Plans will also be able to make direct purchases of Fund shares for cash on an ongoing basis.

Dauphin states that the price that will be paid or received by a Client Plan for shares in a Fund will be the net asset value per share at the time of the transaction, as defined in Section V(e), and will be the same price which will be paid or received for the shares by any other investor at that time. In addition, Dauphin states that no sales commissions or redemption fees will be charged in connection with the purchase or sale of Fund shares by the Client Plans.

5. Until March 29, 1996, Dauphin generally will invest assets of Client Plans for which it acts as a trustee with investment discretion in the CIFs. In addition, certain Client Plans where investment decisions are directed by a Second Fiduciary may use a CIF as an investment option for individual accounts in the Client Plans. However, on Friday, March 29, 1996, Dauphin plans to terminate its three CIFs. The assets in the CIFs will be transferred to the Marketvest Equity Fund, the Marketvest Intermediate U.S. Government Bond Fund, and the Marketvest Short-Term Bond Fund. Each CIF will transfer its assets to the corresponding Fund in exchange for shares of the Fund at the then current market value of the CIF assets, in accordance with Rule 17a-7 under the 1940 Act (as discussed below).³ The in-kind transfer of a Client Plan's CIF assets to the Funds will be subject to the prior written consent of the Second Fiduciary for the Client Plan. Any Client Plan that does not provide prior written approval for the transfer of its CIF assets

to the Funds, by the deadline set for such approvals, will receive a cash distribution of its pro rata share of the CIF assets no later than Friday, March 29, 1996, preceding the transfers.

The in-kind transfers of the CIF assets will occur using market values for such assets as of the close of business on Friday, March 29, 1996. The securities transferred from the CIFs will be the same as the securities received by the Funds. The value of the securities will be determined in a single valuation by Dauphin as investment adviser for the Funds, in accordance with the requirement of Rule 17a-7(b) that transactions be effected at the "independent current market price" of the securities.

Under Rule 17a-7, the "independent current market price" for specific types of CIF securities involved in the transactions will be determined by Dauphin as follows:

a. If the security is a "reported security" as the term is defined in Rule 11Aa3-1 under the Securities Exchange Act of 1934 (the '34 Act), the last sale price with respect to such security reported in the consolidated transaction reporting system (the Consolidated System); or, if there are no reported transactions in the Consolidated System that day, the average of the highest current independent bid and the lowest current independent offer for such security (reported pursuant to Rule 11Ac1-1 under the '34 Act), as of the close of business on the CIF valuation date.

b. If the security is not a reported security, and the principal market for such security is an exchange, then the last sale on such exchange or, if there are no reported transactions on such exchange that day, the average of the highest current independent bid and lowest current independent offer on the exchange as of the close of business on the CIF valuation date.

c. If the security is not a reported security and is quoted in the NASDAQ system, then the average of the highest current independent bid and lowest current independent offer reported on Level 1 of NASDAQ as of the close of business on the CIF valuation date.

d. For all other securities, the average of the highest current independent bid and lowest current independent offer determined on the basis of reasonable inquiry from at least three independent sources as of the close of business on the CIF valuation date.

Dauphin states that it will also send by regular mail to each affected Client Plan, not later than 30 days after completion of the transactions, a written

³ Rule 17a-7 permits transactions between investment funds that use the same investment adviser, subject to certain conditions. Rule 17a-7 requires, among other things, that such transactions be effected at the "independent current market price" for each security, involve only securities for which market quotations are readily available, involve no brokerage commissions or other remuneration, and comply with valuation procedures adopted by the board of directors of the investment company to ensure that all requirements of the Rule are satisfied.

confirmation containing the following information:

(1) The identity of each security that was valued for purposes of the transaction in accordance with Rule 17a-7(b)(4);

(2) The price of each such security involved in the transaction; and

(3) The identity of each pricing service or market-maker consulted in determining the value of such securities. In this regard, securities which will be valued in accordance with Rule 17a-7(b)(4) are securities for which the current market price cannot be obtained by reference to the last sale price for transactions reported on a recognized securities exchange or the NASDAQ system. As noted above, such securities will be valued based on an average of the highest current independent bid and lowest current independent offer, as of the close of business on the Friday preceding the weekend of the CIF transfers, determined on the basis of reasonable inquiry from at least three sources that are broker-dealers or pricing services independent of Dauphin.

Each Client Plan that approves the CIF asset transfers to the Funds will receive account statements describing the asset transfers either on such Plan's monthly account statement or quarterly account statement. These statements will show the disposition of the CIF units from the Client Plan account and the acquisition by the account of Fund shares. This information will be provided to the affected Client Plans with written confirmation of the number of CIF units held by the Client Plan immediately before the transfer, the related per unit value and the total dollar amount of such CIF units as well as the number of shares of the Funds held by the Client Plan following the transfer, the related per share net asset value, and the total dollar amount of such shares.

Thus, Dauphin represents that as of Monday, April 1, 1996, Client Plans formerly invested in the terminated CIFs will hold Fund shares which have the same value, based on the Client Plans' pro rata share of the underlying market value of the securities transferred to the Funds, as their assets in the CIF as of the close of business on Friday, March 29, 1996.

6. Prior to investing a Client Plan's assets in a Fund through an in-kind transfer of CIF assets or otherwise, Dauphin will obtain the approval of a Second Fiduciary acting for the Client Plan. The Second Fiduciary generally will be the Client Plan's named fiduciary, trustee (if other than Dauphin), or the sponsoring employer.

Dauphin will provide the Second Fiduciary with a current prospectus for the Fund and a written statement giving full disclosure of the fee structure under which either Dauphin's investment advisory and other fees will be credited back to the Client Plan or the Plan-level investment management fees will be waived. The disclosure statement and the letter that precedes the disclosure statement will describe why Dauphin believes the investment of a Client Plan's assets in the Funds may be appropriate. Dauphin states that these disclosures will be based on the requirements of PTE 77-4 (42 FR 18732, April 8, 1977).⁴

On the basis of such information, the Second Fiduciary will authorize Dauphin to invest the Client Plan's assets in the Funds and to receive fees from the Funds. In connection with the proposed in-kind asset transfers from the CIFs, if a Client Plan's Second Fiduciary does not provide Dauphin with its approval of the investment in a corresponding Fund by the deadline established for approvals of the transfers from a CIF, the Client Plan will receive a distribution from the CIF prior to such transfers and the distribution will be invested in an appropriate investment vehicle for the Client Plan, in accordance with the terms of the Plan.

8. Dauphin will charge investment advisory fees to the Funds in accordance with the investment advisory agreements between Dauphin and the Funds. These agreements will be approved by the independent members of the Board of Directors of the Funds, in accordance with the applicable provisions of the 1940 Act, and any subsequent changes in the fees will have to be approved by such Directors. These fees also will not be increased without the approval of the shareholders of the affected Funds. The fees will be paid monthly by the Funds. In addition, Dauphin will charge fees for custody services it will provide to the

Funds in accordance with a custodial services agreement with the Funds.

Dauphin will avoid charging the Client Plans duplicative investment management fees by either: (a) Crediting the Client Plan's pro rata share of the Fund advisory fees back to the Client Plan; or (b) waiving any investment management fee for the Client Plan at the Plan-level.

The "crediting" fee structure will be designed to preserve the negotiated fee rates of the Client Plans so as to minimize the impact of the change to the Funds on a Client Plan's fees. Dauphin will charge a Client Plan its standard fees as applicable to the particular Client Plan for serving as trustee, directed trustee, investment manager or custodian. At the beginning of each month, and in no event later than the same day as the payment of investment advisory fees by the Funds to Dauphin for the previous month, Dauphin will credit to each Client Plan in cash its proportionate share of all investment advisory fees charged by Dauphin to the Funds for the previous month. The credit will include the Client Plan's share of any investment advisory fees paid by Dauphin to third party sub-advisors.

Dauphin states that the credit will not include the custodial fees payable by the Funds to Dauphin because the custodial services rendered at the Fund-level will not be duplicative of any services provided directly to the Client Plan. The custodial services to the Fund will involve maintaining custody and providing reporting relative to the individual securities owned by the Fund. The services to the Client Plan will involve maintaining custody over all or a portion of the Client Plan's assets (which may include Fund shares, but not the assets underlying the Fund shares), providing trust accounting and participant accounting (if applicable), providing asset and transaction reporting, execution and settlement of directed transactions, processing benefit payments and loans, maintaining participant accounts, valuing plan assets, conducting non-discrimination testing, preparing Forms 5500 and other required filings, and producing statements and reports regarding overall plan and individual participant holdings. Dauphin states that these trust services will be necessary regardless of whether the Client Plan's assets are invested in the Funds. Thus, Dauphin represents that its proposed receipt of fees for both secondary services at the Fund-level and trustee services at the Plan-level will not involve the receipt of "double fees" for duplicative services to the Client Plans because a Fund will be

⁴PTE 77-4, in pertinent part, permits the purchase and sale by an employee benefit plan of shares of a registered, open-end investment company when a fiduciary with respect to the plan is also the investment adviser for the investment company, provided that, among other things, the plan does not pay an investment management, investment advisory or similar fee with respect to the plan assets invested in such shares for the entire period of such investment. Section II(c) of PTE 77-4 states that this condition does not preclude the payment of investment advisory fees by the investment company under the terms of an investment advisory agreement adopted in accordance with section 15 of the Investment Company Act of 1940. Section II(c) states further that this condition does not preclude payment of an investment advisory fee by the plan based on total plan assets from which a credit has been subtracted representing the plan's pro rata share of investment advisory fees paid by the investment company.

charged for custody and other services relative to the individual securities owned by the Fund, while a Client Plan will be charged for the maintenance of Plan accounts reflecting ownership of the Fund shares and other assets.⁵

Dauphin represents that for each Client Plan, the combined total of all fees it will receive directly and indirectly from the Client Plans for the provision of services to the Plans and/or to the Funds will not be in excess of "reasonable compensation" within the meaning of section 408(b)(2) of the Act.⁶

9. Dauphin will maintain a system of internal accounting controls for the crediting of all fees to the Client Plans. In addition, Dauphin will retain the services of KPMG Peat Marwick (the Auditor), an independent accounting firm, to audit annually the crediting of fees to the Client Plans under this program. Such audits will provide independent verification of the proper crediting to the Client Plans.

In its annual audit of the credit program, the Auditor will: (i) Review and test compliance with the specific operational controls and procedures established by Dauphin for making the credits; (ii) verify on a test basis the monthly credit factors transmitted to Dauphin by the Funds; (iii) verify on a test basis the proper assignment of identification fields to the Client Plans; (iv) verify on a test basis the credits paid in total to the sum of all credits paid to each Client Plan; (v) recompute, on a test basis, the amount of the credit determined for selected Client Plans and verify that the credit was made to the proper Client Plan account.

In the event either the internal audit by Dauphin or the independent audit by

the Auditor identifies an error made in the crediting of fees to the Client Plans, Dauphin will correct the error. With respect to any shortfall in credited fees to a Client Plan, Dauphin will make a cash payment to the Client Plan equal to the amount of the error plus interest paid at money market rates offered by Dauphin for the period involved. Any excess credits made to a Client Plan will be corrected by an appropriate deduction from the Client Plan account or reallocation of cash during the next payment period after discovery of the error to reflect accurately the amount of total credits due to the Client Plan for the period involved.

10. Dauphin represents that the use of the "crediting" fee structure will be available for any investments made by Client Plans in the Funds. The use of this fee structure must be approved prior to the Client Plan's initial investment in the Funds by a Second Fiduciary acting for the Client Plan. The Second Fiduciary will receive full and detailed written disclosure of information concerning the Funds in advance of any investment by the Client Plan in the Funds, including the Fund prospectuses as well as a separate statement describing the crediting fee structure.

After consideration of such information, the Second Fiduciary will authorize in writing the investment of assets of the Client Plan in one or more specified Funds and the fees to be paid by the Funds to Dauphin. In addition, the Second Fiduciary of each Client Plan invested in a particular Fund will receive full written disclosure, in a statement separate from the Fund prospectus, of any proposed increases in the rates of fees charged by Dauphin to the Funds for secondary services which are above the rates reflected in the Fund prospectuses, at least thirty (30) days prior to the effective date of such increase.

In the event that Dauphin provides an additional secondary service for which a fee is charged or there is an increase in the rate of fees paid by the Funds to Dauphin for any secondary service, including any increase resulting from a decrease in the number or kind of services performed by Dauphin for such fees in connection with a previously authorized secondary service, Dauphin will, at least 30 days in advance of the implementation of such additional service or fee increase, provide written notice to the Second Fiduciary explaining the nature and the amount of the additional service for which a fee will be charged or the nature and amount of the increase in fees of the

affected Fund.⁷ Such notice will be made separate from the Fund prospectus and will be accompanied by a Termination Form. The Second Fiduciary also will receive full written disclosure in a Fund prospectus or otherwise of any increases in the rate of fees charged by Dauphin to the Funds for investment advisory services, even though such fees will be credited to the investing Client Plans.

The authorizations made by a Second Fiduciary of any Client Plan will be terminable at will, without penalty to the Client Plan, upon receipt by Dauphin of written notice of termination. A form (the Termination Form) expressly providing an election to terminate the authorization, with instructions on the use of the form, will be supplied to the Second Fiduciary no less than annually. However, the Termination Form will not need to be supplied to the Second Fiduciary for an annual reauthorization sooner than six months after such Termination Form is supplied for an additional service or for an increase in fees (as discussed above), unless another Termination Form is required to disclose additional services or fee increases. The Termination Form will instruct the Second Fiduciary that the authorization is terminable at will by the Client Plan, without penalty to the Client Plan, upon receipt by Dauphin of written notice from the Second Fiduciary, and that failure to return the Termination Form will result in the continued authorization of Dauphin to engage in the subject transactions on behalf of the Client Plan.

The Termination Form will be used to notify Dauphin in writing to effect a termination by selling the shares of the Funds held by the Client Plan, requesting such termination within one business day following receipt by Dauphin of the form. If, due to circumstances beyond the control of Dauphin, the sale cannot be executed within one business day, Dauphin will

⁵ The Department notes that although certain transactions and fee arrangements are the subject of an administrative exemption, a Client Plan fiduciary must still adhere to the general fiduciary responsibility provisions of section 404 of the Act. Thus, the Department cautions the fiduciaries of the Client Plans investing in the Funds that they will have an ongoing duty under section 404 of the Act to monitor the services provided to the Client Plans to assure that the fees paid by the Client Plans for such services are reasonable in relation to the value of the services provided. Such responsibilities will include determinations that the services provided are not duplicative and that the fees are reasonable in light of the level of services provided.

The Department also notes that Dauphin, as a trustee and investment manager for a Client Plan in connection with the decision to invest Client Plan assets in the Funds, will have a fiduciary duty to monitor all fees paid by a Fund to Dauphin, its affiliates, and third parties for services provided to the Fund to ensure that the totality of such fees will be reasonable and will not involve the payment of any "double" fees for duplicative services to the Fund by such parties.

⁶ The Department is expressing no opinion in this proposed exemption as to whether the fee arrangements discussed herein will comply with section 408(b)(2) of the Act and the regulations thereunder (see 29 CFR 2550.408b-2).

⁷ With respect to increases in fees, the Department notes that an increase in the amount of a fee for an existing secondary service (other than through an increase in the value of the underlying assets in the Funds) or the imposition of a fee for a newly-established secondary service shall be considered an increase in the rate of such fees. However, in the event a secondary service fee has already been described in writing to the Second Fiduciary and the Second Fiduciary has provided authorization for the fee, and such fee was temporarily waived, no further action by Dauphin would be required in order for the Bank to receive such fee at a later time. Thus, for example, no further disclosure would be necessary if Dauphin had received authorization for a fee for custodial services from Plan investors and subsequently determined to waive the fee for a period of time in order to attract new investors but later charged the fee.

be obligated to complete the sale within the next business day.

11. Dauphin represents that for smaller Client Plans, the Fund-level investment advisory fees generally do not exceed the Plan-level investment management fees, so that the Client Plan will not benefit from a Fund-level fee credit. In these cases, if the Second Fiduciary authorizes the fee structure, Dauphin will waive the Plan-level investment management fees that would otherwise be charged for the Client Plan's assets invested in the Funds, so that the Plan-level fees will be offset and the Client Plan will pay only one investment management fee for those assets, at the Fund-level. This fee structure, which is one of the fee structures described in PTE 77-4, will ensure that Dauphin does not receive any additional investment management, advisory or similar fee as a result of investments in the Funds by the Client Plans.

Disclosures, approvals, and notifications with regard to any changes in fees or secondary services will be handled in the same manner as for the fee structure described in paragraph 10 above, with one exception. The exception is that notifications with regard to increases in rates of investment advisory fees for the Funds will conform to the procedures for increases in rates of secondary service fees as described in paragraph 10. Therefore, in such instances, there will be prior written notification of the fee increase to the Second Fiduciary for the Client Plan and a Termination Form will be provided. The reason for the exception is that the total fees paid by the Client Plan, under this fee structure, will be directly affected by any increases in Fund-level investment advisory fees because such fees will not be credited back to the Client Plan.

12. Dauphin states that a Second Fiduciary will always receive a written statement giving full disclosure of the fee structures prior to any investment in the Funds. The disclosure statement will explain why Dauphin believes that the investment of assets of the Client Plan in the Funds may be appropriate. The disclosure statement also will describe whether there are any limitations on Dauphin with respect to which Client Plan assets may be invested in shares of the Funds and, if so, the nature of such limitations.⁸

13. On an annual basis, the Second Fiduciary of a Client Plan investing in the Funds will receive copies of the current Fund prospectuses and, upon such fiduciary's request, a copy of the Statement of Additional Information for such Funds as well as copies of the annual financial disclosure reports containing information about the Fund and independent auditor findings.

In addition, if the Funds obtain brokerage services in the future from any broker-dealers that are affiliates of Dauphin, Dauphin will provide at least annually to the Second Fiduciary of Client Plans investing in the Funds written disclosures indicating the following: (i) the total, expressed in dollars, of brokerage commissions of each Fund that are paid to Dauphin by such Fund; (ii) the total, expressed in dollars, of brokerage commissions of each Fund that are paid by such Fund to brokerage firms unrelated to Dauphin; (iii) the average brokerage commissions per share, expressed as cents per share, paid to Dauphin by each Fund portfolio; and (iv) the average brokerage commissions per share, expressed as cents per share, paid by each Fund portfolio to brokerage firms unrelated to Dauphin. All such brokerage services would be provided in accordance with section 17(e) of the 1940 Act and Rule 17e-1 thereunder. Such provisions require, among other things, that the commissions, fees or other remuneration for any brokerage services provided by an affiliate of an investment company's investment adviser be reasonable and fair compared to what other brokers receive for comparable transactions involving similar securities.

14. No sales commissions will be paid by the Client Plans in connection with the purchase or sale of shares of the Funds. In addition, no redemption fees will be paid in connection with the sale of shares by the Client Plans to the Funds. Dauphin states that it will not receive any fees payable pursuant to Rule 12b-1 under the 1940 Act in connection with the transactions. Dauphin states further that all other dealings between the Client Plans and the Funds will be on a basis no less favorable to the Client Plans than such dealings will be with the other shareholders of the Funds.

15. In summary, Dauphin represents that the transactions described herein will satisfy the statutory criteria of section 408(a) of the Act because: (a) the Funds will provide the Client Plans

with a more effective investment vehicle than collective investment funds maintained by Dauphin without any increase in investment management, advisory or similar fees paid to Dauphin; (b) Dauphin will require annual audits by an independent accounting firm to verify the proper crediting to the Client Plans of investment advisory fees charged by Dauphin to the Funds; (c) with respect to any investments in a Fund by the Client Plans and the payment of any fees by the Fund to Dauphin, a Second Fiduciary will receive full written disclosure of information concerning the Fund, including a current prospectus and a statement describing the fee structure, and will authorize in writing the investment of the Client Plan's assets in the Fund and the fees paid by the Fund to Dauphin; (d) any authorizations made by a Client Plan regarding investments in a Fund and fees to be paid to Dauphin, or any increases in the rates of fees for secondary services which will be retained by Dauphin, will be terminable at will by the Client Plan, without penalty to the Client Plan, upon receipt by Dauphin of written notice of termination from the Second Fiduciary; (e) no commissions or redemption fees will be paid by the Client Plan in connection with either the acquisition of Fund shares or the sale of Fund shares; (f) Dauphin will not receive any fees payable pursuant to Rule 12b-1 under the 1940 Act in connection with the transactions; (g) the in-kind transfers of CIF assets into the Funds will be done with the prior written approval of independent fiduciaries (i.e., the Second Fiduciary) following full and detailed written disclosure concerning the Funds; (h) all dealings between the Client Plans and the Funds will be on a basis which is at least as favorable to the Client Plans as such dealings are with other shareholders of the Funds.

Notice to Interested Persons

Notice of the proposed exemption shall be given to all Second Fiduciaries of Client Plans described herein that have investments in a terminating CIF and from whom approval will be sought for a transfer of a Client Plan's CIF assets to a Fund. In addition, interested persons shall include the Second Fiduciaries of all Client Plans that are currently invested in the Funds, as of the date the notice of the proposed exemption is published in the Federal Register, where Dauphin is providing services to the Funds and receives fees which would be covered by the proposed exemption, if granted.

⁸ See section II(d) of PTE 77-4 which requires, in pertinent part, that an independent plan fiduciary receive a current prospectus issued by the investment company and a full and detailed written disclosure of the investment advisory and other fees charged to or paid by the plan and the investment company, including a discussion of whether there

are any limitations on the fiduciary/investment adviser with respect to which plan assets may be invested in shares of the investment company and, if so, the nature of such limitations.

Notice to interested persons shall be provided by first class mail within fifteen (15) days following the publication of the proposed exemption in the Federal Register. Such notice shall include a copy of the notice of proposed exemption as published in the Federal Register and a supplemental statement (see 29 CFR 2570.43(b)(2)) which informs all interested persons of their right to comment on and/or request a hearing with respect to the proposed exemption. Comments and requests for a public hearing are due within forty-five (45) days following the publication of the proposed exemption in the Federal Register.

FOR FURTHER INFORMATION CONTACT: Mr. E.F. Williams of the Department, telephone (202) 219-8194. (This is not a toll-free number.)

General Information

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under section 408(a) of the Act and/or section 4975(c)(2) of the Code does not relieve a fiduciary or other party in interest of disqualified person from certain other provisions of the Act and/or the Code, including any prohibited transaction provisions to which the exemption does not apply and the general fiduciary responsibility provisions of section 404 of the Act, which among other things require a fiduciary to discharge his duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with section 404(a)(1)(b) of the act; nor does it affect the requirement of section 401(a) of the Code that the plan must operate for the exclusive benefit of the employees of the employer maintaining the plan and their beneficiaries;

(2) Before an exemption may be granted under section 408(a) of the Act and/or section 4975(c)(2) of the Code, the Department must find that the exemption is administratively feasible, in the interests of the plan and of its participants and beneficiaries and protective of the rights of participants and beneficiaries of the plan;

(3) The proposed exemptions, if granted, will be supplemental to, and not in derogation of, any other provisions of the Act and/or the Code, including statutory or administrative exemptions and transitional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction; and

(4) The proposed exemptions, if granted, will be subject to the express condition that the material facts and representations contained in each application are true and complete and accurately describe all material terms of the transaction which is the subject of the exemption. In the case of continuing exemption transactions, if any of the material facts or representations described in the application change after the exemption is granted, the exemption will cease to apply as of the date of such change. In the event of any such change, application for a new exemption may be made to the Department.

Signed at Washington, DC, this 6th day of March, 1996.

Ivan Strasfeld,

*Director of Exemption Determinations,
Pension and Welfare Benefits Administration,
U.S. Department of Labor.*

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BILLING CODE 4510-29-P

[Prohibited Transaction Exemption 96-12 ; Exemption Application No. D-09840, et al.]

Grant of Individual Exemptions; World Omni Financial Corporation and Its Affiliates, et al.

AGENCY: Pension and Welfare Benefits Administration, Labor.

ACTION: Grant of individual exemptions.

SUMMARY: This document contains exemptions issued by the Department of Labor (the Department) from certain of the prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (the Act) and/or the Internal Revenue Code of 1986 (the Code).

Notices were published in the Federal Register of the pendency before the Department of proposals to grant such exemptions. The notices set forth a summary of facts and representations contained in each application for exemption and referred interested persons to the respective applications for a complete statement of the facts and representations. The applications have been available for public inspection at the Department in Washington, DC. The notices also invited interested persons to submit comments on the requested exemptions to the Department. In addition the notices stated that any interested person might submit a written request that a public hearing be held (where appropriate). The applicants have represented that they have complied with the requirements of the notification to interested persons. No public comments and no requests for

a hearing, unless otherwise stated, were received by the Department.

The notices of proposed exemption were issued and the exemptions are being granted solely by the Department because, effective December 31, 1978, section 102 of Reorganization Plan No. 4 of 1978 (43 FR 47713, October 17, 1978) transferred the authority of the Secretary of the Treasury to issue exemptions of the type proposed to the Secretary of Labor.

Statutory Findings

In accordance with section 408(a) of the Act and/or section 4975(c)(2) of the Code and the procedures set forth in 29 CFR Part 2570, Subpart B (55 FR 32836, 32847, August 10, 1990) and based upon the entire record, the Department makes the following findings:

(a) The exemptions are administratively feasible;

(b) They are in the interests of the plans and their participants and beneficiaries; and

(c) They are protective of the rights of the participants and beneficiaries of the plans.

World Omni Financial Corporation and Its Affiliates

Located in Deerfield Beach, Florida

[Prohibited Transaction Exemption 96-12; Application No. D-9840]

Section I—Transactions

A. Effective June 27, 1994, the restrictions of sections 406(a) and 407(a) of the Act and the taxes imposed by section 4975 (a) and (b) of the Code, by reason of section 4975(c)(1)(A) through (D) of the Code, shall not apply to the following transactions involving trusts and certificates evidencing interests therein:

(1) The direct or indirect sale, exchange or transfer of certificates in the initial issuance of certificates between the sponsor or underwriter and an employee benefit plan when the sponsor, servicer, trustee or insurer of a trust, the underwriter of the certificates representing an interest in the trust, or an obligor is a party in interest with respect to such plan;

(2) The direct or indirect acquisition or disposition of certificates by a plan in the secondary market for such certificates; and

(3) The continued holding of certificates acquired by a plan pursuant to Section I.A. (1) or (2).

Notwithstanding the foregoing, Section I.A. does not provide an exemption from the restrictions of sections 406(a)(1)(E), 406(a)(2) and 407 for the acquisition or holding of a certificate on behalf of an Excluded

Plan, as defined in Section III.K. below, by any person who has discretionary authority or renders investment advice with respect to the assets of that Excluded Plan.¹

B. Effective June 27, 1994, the restrictions of sections 406(b)(1) and 406(b)(2) of the Act and the taxes imposed by section 4975(a) and (b) of the Code, by reason of section 4975(c)(1)(E) of the Code, shall not apply to:

(1) The direct or indirect sale, exchange or transfer of certificates in the initial issuance of certificates between the sponsor or underwriter and a plan when the person who has discretionary authority or renders investment advice with respect to the investment of plan assets in the certificates is (a) an obligor with respect to 5 percent or less of the fair market value of obligations or receivables contained in the trust, or (b) an affiliate of a person described in (a); if

(i) The plan is not an Excluded Plan;

(ii) Solely in the case of an acquisition of certificates in connection with the initial issuance of the certificates, at least 50 percent of each class of certificates in which plans have invested is acquired by persons independent of the members of the Restricted Group, as defined in Section III.L., and at least 50 percent of the aggregate interest in the trust is acquired by persons independent of the Restricted Group;

(iii) A plan's investment in each class of certificates does not exceed 25 percent of all of the certificates of that class outstanding at the time of the acquisition; and

(iv) Immediately after the acquisition of the certificates, no more than 25 percent of the assets of a plan with respect to which the person has discretionary authority or renders investment advice are invested in certificates representing an interest in a trust containing assets sold or serviced by the same entity.² For purposes of this paragraph B.(1)(iv) only, an entity shall not be considered to service assets

contained in a trust if it is merely a subservicer of that trust;

(2) The direct or indirect acquisition or disposition of certificates by a plan in the secondary market for such certificates, provided that conditions set forth in paragraphs B. (1)(i), (iii), and (iv) are met; and

(3) The continued holding of certificates acquired by a plan pursuant to Section I.B. (1) or (2).

C. Effective June 27, 1994, the restrictions of sections 406(a), (b) and 407(a) of the Act and the taxes imposed by section 4975 (a) and (b) of the Code, by reason of section 4975(c) of the Code, shall not apply to transactions in connection with the servicing, management and operation of a trust, provided;

(1) Such transactions are carried out in accordance with the terms of a binding Pooling and Servicing Agreement; and

(2) The Pooling and Servicing Agreement is provided to, or described in all material respects in the prospectus or private placement memorandum provided to, investing plans before they purchase certificates issued by the trust.³

Notwithstanding the foregoing, Section I.C. does not provide an exemption from the restrictions of section 406(b) of the Act, or from the taxes imposed by reason of section 4975(c) of the Code, for the receipt of a fee by the servicer of the trust from a person other than the trustee or sponsor, unless such fee constitutes a "qualified administrative fee" as defined in Section III.S. below.

D. Effective June 27, 1994, the restrictions of sections 406(a) and 407(a) of the Act and the taxes imposed by sections 4975 (a) and (b) of the Code, by reason of sections 4975(c)(1) (A) through (D) of the Code, shall not apply to any transaction to which those restrictions or taxes would otherwise apply merely because a person is deemed to be a party in interest or disqualified person (including a fiduciary) with respect to a plan by virtue of providing services to the plan (or by virtue of having a relationship to such service provider as described in section 3(14) (F), (G), (H) or (I) of the Act or section 4975(e)(2) (F), (G), (H) or (I) of the Code), solely

because of the plan's ownership of certificates.

Section II—General Conditions

A. The relief provided under Section I is available only if the following conditions are met:

(1) The acquisition of certificates by a plan is on terms (including the certificate price) that are at least as favorable to the plan as such terms would be in an arm's-length transaction with an unrelated party;

(2) The rights and interests evidenced by the certificates are not subordinated to the rights and interests evidenced by other certificates of the same trust;

(3) The certificates acquired by the plan have received a rating at the time of such acquisition that is in one of the three highest generic rating categories from either Standard & Poors Rating Services, Moody's Investor Service, Inc., Duff & Phelps Inc., or Fitch Investors Service, Inc. (collectively, the Rating Agencies);

(4) The trustee is not an affiliate of any member of the Restricted Group (other than BA Securities acting as a member, but not a manager, of the underwriting syndicate for the certificates during the period from October 19, 1995 until December 8, 1995, provided that BA Securities did not sell any certificates to employee benefit plans covered by this exemption during such period). However, the trustee shall not be considered to be an affiliate of a servicer solely because the trustee has succeeded to the rights and responsibilities of the servicer pursuant to the terms of a Pooling and Servicing Agreement providing for such succession upon the occurrence of one or more events of default by the servicer;

(5) The sum of all payments made to and retained by the underwriters in connection with the distribution or placement of certificates represents not more than reasonable compensation for underwriting or placing the certificates; the sum of all payments made to or retained by the sponsor pursuant to the assignment of obligations (or interest therein) to the trust represents not more than the fair market value of such obligation (or interest); and the sum of all payments made to and retained by the servicer represents not more than reasonable compensation for the servicer's services under the Pooling and Servicing Agreement and reimbursement of the servicer's reasonable expenses in connection therewith;

(6) The plan investing in such certificates is an "accredited investor" as defined in Rule 501(a)(1) of

¹ Section I.A. provides no relief from sections 406(a)(1)(E), 406(a)(2) and 407 for any person rendering investment advice to an Excluded Plan within the meaning of section 3(21)(A)(ii) and regulation 29 CFR 2510.3-21(c).

² For purposes of this exemption, each plan participating in a commingled fund (such as a bank collective trust fund or insurance company pooled separate account) shall be considered to own the same proportionate undivided interest in each asset of the commingled fund as its proportionate interest in the total assets of the commingled fund as calculated on the most recent preceding valuation date of the fund.

³ In the case of a private placement memorandum, such memorandum must contain substantially the same information that would be disclosed in a prospectus if the offering of the certificates were made in a registered public offering under the Securities Act of 1933. In the Department's view, the private placement memorandum must contain sufficient information to permit plan fiduciaries to make informed investment decisions.

Regulation D of the Securities and Exchange Commission (SEC) under the Securities Act of 1933;

(7) To the extent that the pool of leases used to create a portfolio for a trust is not closed at the time of the issuance of certificates by the trust, additional leases may be added to the portfolio for a period of no more than 15 consecutive months from the closing date used for the initial allocation of leases that was made to create such portfolio, provided that:

(a) all such additional leases meet the same terms and conditions for eligibility as the original leases used to create the portfolio (as described in the prospectus or private placement memorandum for such certificates), which terms and conditions have been approved by the Rating Agencies. Notwithstanding the foregoing, the terms and conditions for an "eligible lease" (as defined in Section III.X below) may be changed if such changes receive prior approval either by a majority vote of the outstanding certificateholders or by the Rating Agencies; and

(b) such additional leases do not result in the certificates receiving a lower credit rating from the Rating Agencies, upon termination of the period during which additional leases may be added to the portfolio, than the rating that was obtained at the time of the initial issuance of the certificates by the trust;

(8) Any additional period described in Section II.A.(7) shall be described in the prospectus or private placement memorandum provided to investing plans;

(9) The average annual percentage lease rate (the Average Lease Rate) for the pool of leases in the portfolio for the trust, after the additional period described in Section II.A.(7), shall not be more than 200 basis points greater than the Average Lease Rate for the original pool of leases that was used to create such portfolio for the trust;

(10) For the duration of the additional period described in Section II.A.(7), principal collections that are reinvested in the "eligible lease contract" (as defined in Section III.X. below) with the earliest origination date, then in the "eligible lease contract" with the next earliest origination date, and so forth, beginning with any lease contracts that have been reserved specifically for such purposes at the time of the initial allocation of leases to the pool of leases used to create the particular portfolio, but excluding those specific lease contracts reserved for allocation to or allocated to other pools of leases used to create other portfolios; and

(11) The trustee of the trust (or the agent with which the trustee contracts to provide trust services) is a substantial financial institution or trust company experienced in trust activities and is familiar with its duties, responsibilities, and liabilities as a fiduciary under the Act. The trustee, as the legal owner of the obligations in the trust, enforces all the rights created in favor of certificateholders of such trust, including employee benefit plans subject to the Act.

B. Neither any underwriter, sponsor, trustee, servicer, insurer, or any obligor, unless it or any of its affiliates has discretionary authority or renders investment advice with respect to the plan assets used by a plan to acquire certificates, shall be denied the relief provided under Section I, if the provision in Section II.A.(6) above is not satisfied for the acquisition or holding by a plan of such certificates, provided that (1) such condition is disclosed in the prospectus or private placement memorandum; and (2) in the case of a private placement of certificates, the trustee obtains a representation from each initial purchaser which is a plan that it is in compliance with such condition, and obtains a covenant from each initial purchaser to the effect that, so long as such initial purchaser (or any transferee of such initial purchaser's certificates) is required to obtain from its transferee a representation regarding compliance with the Securities Act of 1933, any such transferees shall be required to make a written representation regarding compliance with the condition set forth in Section II.A.(6).

C. World Omni and its Affiliates abide by all securities and other laws applicable to any offering of interests in securitized assets, such as certificates in a trust as described herein, including those laws relating to disclosure of material litigation, investigations and contingent liabilities.

Section III—Definitions

For purposes of this exemption:

A. "Certificate" means:

(1) A certificate

(a) That represents a beneficial ownership interest in the assets of a trust; and

(b) That entitles the holder to pass-through payments of principal (except during the period described in Section II.A.(7), if any), interest, and/or other payments made in connection with the assets of such trust; or

(2) A certificate denominated as a debt instrument that is issued by and is an obligation of a trust;

With respect to certificates defined in Section III.A. (1) and (2) above, the underwriter shall be an entity which has received from the Department an individual prohibited transaction exemption relating to certificates which is substantially similar to this exemption (as noted below in Section III.C.) and shall be either (i) the sole underwriter or the manager or co-manager of the underwriting syndicate, or (ii) a selling or placement agent.

For purposes of this exemption, references to "certificates representing an interest in a trust" include certificates denominated as debt which are issued by a trust.

B. "Trust" means an investment pool, the corpus of which is held in trust and consists solely of:

(1) Either

(a) Qualified motor vehicle leases (as defined in Section III.T.); or

(b) Fractional undivided interests in a trust containing assets described in paragraph (a) of this Section III.B.(1), where such fractional interest is not subordinated to any other interest in the same pool of qualified motor vehicle leases held by such trust;⁴

(2) Property which has secured any of the obligations described in Section III.B.(1);

(3) Undistributed cash or temporary investments made therewith maturing no later than the next date on which distributions are to be made to certificateholders, except during the period described in Section II.A.(7) above when temporary investments are made until such cash can be reinvested in additional leases described in paragraph (a) of this Section III.B.(1); and

(4) Rights of the trustee under the Pooling and Servicing Agreement, and rights under motor vehicle dealer agreements, any insurance policies, third-party guarantees, contracts of suretyship and other credit support arrangements for any obligations described in Section III.B.(1).

Notwithstanding the foregoing, the term "trust" does not include any investment pool unless: (i) the investment pool consists only of assets

⁴ It is the Department's view that the definition of "Trust" contained in Section III.B. includes a two-tier trust structure under which certificates issued by the first trust, which contains a pool of receivables described above, are transferred to a second trust which issues certificates that are sold to plans. However, the Department is of the further view that, since the exemption provides relief for the direct or indirect acquisition or disposition of certificates that are not subordinated, no relief would be available if the certificates held by the second trust were subordinated to the rights and interests evidenced by other certificates issued by the first trust.

of the type which have been included in other investment pools, (ii) certificates evidencing interests in such other investment pools have been rated in one of the three highest categories by the Rating Agencies for at least one year prior to the plan's acquisition of certificates pursuant to this exemption, and (iii) certificates evidencing interests in such other investment pools have been purchased by investors other than plans for at least one year prior to the plan's acquisition of certificates pursuant to this exemption.

C. "Underwriter" means any investment banking firm that has received an individual prohibited transaction exemption from the Department that provides relief for so-called "asset-backed" securities that is substantially similar in format and structure to this exemption (the Underwriter Exemptions);⁵ or any person directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with such investment banking firm; and any member of an underwriting syndicate or selling group of which such firm or person described above is a manager or co-manager with respect to the certificates.

D. "Sponsor" means an entity, independent of World Omni or affiliated with World Omni, that organizes a trust by depositing obligations therein in exchange for certificates provided that, if such entity is independent of World Omni, the servicer of the trust is an affiliate of World Omni.

E. "Master Servicer" means World Omni or an entity affiliated with World Omni that is a party to the Pooling and Servicing Agreement relating to trust assets and is fully responsible for servicing, directly or through subservicers, the assets of the trust.

F. "Subservicer" means World Omni or an entity affiliated with World Omni which, under the supervision of and on behalf of the master servicer, services leases contained in the trust, but is not a party to the Pooling and Servicing Agreement.

G. "Servicer" means World Omni or an entity affiliated with World Omni which services leases contained in the trust, including the master servicer and any subservicer.

H. "Trustee" means an entity that is independent of World Omni and its affiliates which is the trustee of the trust. In the case of certificates which are denominated as debt instruments,

"trustee" also means the trustee of the indenture trust.

I. "Insurer" means the insurer or guarantor of, or provider of other credit support for, a trust. Notwithstanding the foregoing, a person is not an insurer solely because it holds securities representing an interest in a trust which are of a class subordinated to certificates representing an interest in the same trust. In addition, a person is not an insurer if such person merely provides: (1) property damage or liability insurance to an Obligor with respect to a lease or leased vehicle; or (2) property damage, excess liability or contingent liability insurance to any lessor, sponsor or servicer, if such entities are included in the same insurance policy, with respect to a lease or leased vehicle.

J. "Obligor" means any person, other than the insurer, that is obligated to make payments for a lease in the trust.

K. "Excluded Plan" means any plan with respect to which any member of the Restricted Group is a "plan sponsor" within the meaning of section 3(16)(B) of the Act.

L. "Restricted Group" with respect to a class of certificates means:

- (1) Each underwriter;
- (2) Each insurer;
- (3) The sponsor;
- (4) The trustee;
- (5) Each servicer;
- (6) Any obligor with respect to obligations or receivables included in the trust constituting more than 5 percent of the aggregate unamortized principal balance of the assets in the trust, determined on the date of the initial issuance of certificates by the trust and at the end of the period described in Section II.A.(7); or
- (7) Any affiliate of a person described in (1)–(6) above.

M. "Affiliate" of another person includes:

- (1) Any person, directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with such other person;
- (2) Any officer, director, partner, employee, relative (as defined in section 3(15) of the Act), a brother, a sister, or a spouse of a brother or sister of such other person; and
- (3) Any corporation or partnership of which such other person is an officer, director or partner.

N. "Control" means the power to exercise a controlling influence over the management or policies of a person other than an individual.

O. A person shall be "independent" of another person only if:

- (1) Such person is not an affiliate of that other person; and

(2) The other person, or an affiliate thereof, is not a fiduciary who has investment management authority or renders investment advice with respect to assets of such person.

P. "Sale" includes the entrance into a forward delivery commitment (as defined in Section III.Q. below), provided:

(1) The terms of the forward delivery commitment (including any fee paid to the investing plan) are no less favorable to the plan than they would be in an arm's-length transaction with an unrelated party;

(2) The prospectus or private placement memorandum is provided to an investing plan prior to the time the plan enters into the forward delivery commitment; and

(3) At the time of the delivery, all conditions of this exemption applicable to sales are met.

Q. "Forward Delivery Commitment" means a contract for the purchase or sale of one or more certificates to be delivered at an agreed future settlement date. The term includes both mandatory contracts (which contemplate obligatory delivery and acceptance of the certificates) and optional contracts (which give one party the right but not the obligation to deliver certificates to, or demand delivery of certificates from, the other party).

R. "Reasonable Compensation" has the same meaning as that term is defined in 29 CFR 2550.408c-2.

S. "Qualified Administrative Fee" means a fee which meets the following criteria:

(1) The fee is triggered by an act or failure to act by the obligor other than the normal timely payment of amounts owing for the obligations;

(2) The servicer may not charge the fee absent the act or failure to act referred to in (1);

(3) The ability to charge the fee, the circumstances in which the fee may be charged, and an explanation of how the fee is calculated are set forth in the Pooling and Servicing Agreement; and

(4) The amount paid to investors in the trust shall not be reduced by the amount of any such fee waived by the servicer.

T. "Qualified Motor Vehicle Lease" means a lease of a motor vehicle where:

(1) The trust owns or holds a security interest in the lease;

(2) The trust owns or holds a security interest in the leased motor vehicle; and

(3) The trust's interest in the leased motor vehicle is at least as protective of the trust's rights as the trust would receive under a motor vehicle installment loan contract.

U. "Pooling and Servicing Agreement" means the agreement or

⁵ For a current listing of the Underwriter Exemptions, see Section V(h) of Prohibited Transaction Exemption (PTE) 95-60 (60 FR 35925, July 12, 1995).

agreements among a sponsor, a servicer and the trustee establishing a trust. In the case of certificates which are denominated as debt instruments, "Pooling and Servicing Agreement" also includes the indenture entered into by the trustee of the trust issuing such certificates and the indenture trustee.

V. "Lease Rate" means an implicit rate in each lease calculated as an annual percentage rate on a constant yield basis, based on the capitalized cost of the leased vehicle as determined under the particular lease contract for the vehicle. With respect to the determination of a "Lease Rate", each lease will provide for equal monthly payments such that at the end of the lease contract term the capitalized cost will have been amortized to an amount equal to the residual value of the leased vehicle established at the time of origination of such contract. The amount to which the capitalized cost has been amortized at any point in time will be the outstanding principal balance for the lease.

W. "Average Lease Rate" means the average annual percentage lease rate, as defined in Section III.V. above, for all leases included at any particular time in a portfolio used to create a trust from which certificates are issued.

X. "Eligible Lease" or "Eligible Lease Contract" means a Qualified Motor Vehicle Lease, as defined in Section III.T. above, which meets the eligibility criteria established for, among other things, the term of the lease, place of origination, date of origination, and provisions for default, as described in the particular prospectus or private placement memorandum for the certificates provided to investors, if such terms and conditions have been approved by the Rating Agencies prior to the issuance of such certificates.

The Department notes that this exemption will be included within the meaning of the term "Underwriter Exemption" as it is defined in Section V(h) of the Grant of the Class Exemption for Certain Transactions Involving Insurance Company General Accounts, which was published in the Federal Register on July 12, 1995 (see PTE 95-60, 60 FR 35925).

EFFECTIVE DATE: This exemption is effective for all transactions described herein which occurred on or after June 27, 1994.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, refer to the notice of proposed exemption published on November 28, 1995, at 60 FR 58652.

WRITTEN COMMENTS AND MODIFICATIONS: The applicant submitted the following

comments and requests for modifications regarding the notice of proposed exemption (the Proposal).

With respect to Section I.C.(1) of the Proposal, the applicant suggests that the term "Pooling and Servicing Agreement", as defined in Section III.U., be substituted for the words "binding pooling and servicing arrangement". The Department concurs with the applicant's requested clarification and has so modified the language of the exemption.

With respect to Section II.A.(3) of the Proposal, the applicant states that "Standard & Poors Corporation" has changed its name to "Standard & Poors Rating Services". The Department has made the applicant's requested correction to the language of the exemption.

With respect to Section II.A.(4) of the Proposal, the applicant states that in one of the offerings of certificates that would be subject to this exemption, the trustee of the Securitization Trust—Bank of America, Illinois (BAI)—was affiliated from October 19, 1995, until December 8, 1995, with an entity—BA Securities—that was a member (but not a manager) of the underwriting syndicate for the certificates.⁶ As of December 8, 1995, BAI sold its trust business to First Bank, N.A., an entity unaffiliated with BA Securities, which became the new trustee of the Securitization Trust. In this regard, the applicant represents that BA Securities did not sell any certificates directly to employee benefit plans that would be covered by this exemption during the period that it was affiliated with the trustee of the trust.

Therefore, the Department has modified the language of Section II.A.(4) so that the conditions of the exemption will not fail to be met merely because BA Securities acted as a member (but not a manager) of the underwriting syndicate for the certificates from October 19, 1995 until December 8, 1995, while affiliated with BAI, provided that BA Securities did not sell any certificates to employee benefit plans covered by this exemption during such period.

Section II.A.(7) of the Proposal currently requires that the fifteen (15)

⁶ World Omni notes that Section III of Prohibited Transaction Exemption (PTE) 75-1 (40 FR 50845, 50848, October 31, 1975) permits the purchase or other acquisition of any securities by an employee benefit plan during the existence of an underwriting or selling syndicate for such securities, from any person other than a fiduciary with respect to the plan, when such a fiduciary is a member of the syndicate, provided that certain conditions are met. However, the Department is expressing no opinion in this exemption as to whether the conditions of Section III of PTE 75-1 were met at the time of the subject transactions.

month maximum "revolving period" (as discussed in Paragraph 4 of the Summary of Facts and Representations (the Summary) in the Proposal) be measured from the cut-off date used for the initial allocation of leases that was made to create a segregated portfolio. The applicant has clarified earlier representations and now suggests that the use of the actual closing date for the segregated portfolio would be more appropriate than the "cut-off" date to measure the beginning of this period. In this regard, the applicant believes that, upon further review, the term "cut-off" date is vague and can lead to unintended results in situations where the closing date is delayed through no fault of the sponsor. The applicant notes that for federal tax purposes the "revolving period" is measured from the closing date. Therefore, the applicant requests that Section II.A.(7) be modified by inserting "closing date" in place of "cut-off" date for the beginning of the 15 month "revolving period".

The Department concurs with the applicant's requested clarification and has so modified the language of the exemption.

Section II.A.(10) of the Proposal requires that for the duration of the "revolving period", principal collections that are reinvested in additional leases be first reinvested in the "eligible lease contract" (as defined in Section III.X.) with the earliest origination date beginning with any lease contracts that have been reserved specifically for such purposes at the time of the initial allocation of leases to the pool of leases used to create the particular trust, but excluding those specific lease contracts reserved for allocation to or allocated to other pools of leases used to create other trusts. The applicant states that the language which excludes lease contracts reserved for lease pools "used to create other trusts" should be clarified because such leases are actually reserved for other "Separate Units of Beneficial Interests" or "SUBIs" which are used to create other trusts.⁷ The applicant explains that the SUBIs may then either be sold or transferred to a trust or otherwise sold in a private placement. Therefore, the applicant requests that the language read " * * * used to create other SUBIs".

The Department concurs with the applicant's requested clarification and has modified the language of Section II.A.(10) by substituting the word

⁷ Paragraph 4 of the Summary notes that a segregated portfolio of leases is used to create a SUBI which becomes the basis for a securitization and the creation of a separate Securitization Trust from which certificates are issued.

“portfolio” for the word “trust” in order to refer to the leases used to create a SUBI.

Section II.A.(11) of the Proposal requires that the trustee be a substantial financial institution. The applicant represents that the trustee of the Origination Trust, who holds actual title to the leased assets held therein (see discussion in Paragraph 4 of the Summary), may not meet the requirement of this section. The applicant states that the trustee of the Origination Trust needs to be the same entity throughout every securitization deal which originates from the assets held by the Origination Trust because such trustee actually holds title to all of the leased vehicles held in the Origination Trust (see Paragraph 3 of the Summary). The applicant states further that in order to achieve this goal, the trustee of the Origination Trust subcontracts with an established financial institution which is qualified to provide trust services to the trust and acts as an agent of the trustee (i.e. the Trust Agent). The Trust Agent is usually an affiliate of the trustee, but is always unaffiliated with World Omni. Therefore, the applicant requests that the language of Section II.A.(11) be modified as follows:

* * * The trustee of the trust (*or the agent with which the trustee contracts to provide trust services*) is a substantial financial institution * * * [emphasis added]

The Department concurs with the applicant's requested clarification and has so modified the language of the exemption.

Section III.J. of the Proposal defines the term “Obligor” to include the owner of the property subject to a lease. The applicant states that since the owner of such property (i.e. the leased vehicle) is the trustee of the Origination Trust, the language of the definition should be modified to delete the reference to the “obligor” as the “owner”.

The Department concurs with the applicant's requested clarification and has modified the language of the exemption by deleting the sentence in Section III.J. which refers to the “obligor” as the “owner” of the leased vehicle.

With respect to the definition of the term “Qualified Motor Vehicle Lease” in Section III.T., the applicant suggests that the language used would be more accurate if modified by adding the words “owns or” to the description of the security interest in the lease in subsections (1) and (2), and by deleting the reference to a “security” interest in subsection (3).

The Department concurs with the applicant's requested clarification and has so modified the language of the exemption.

With respect to the information contained in the Summary, the applicant has submitted comments which attempt to clarify certain facts and representations.

First, the applicant states that Paragraph 6 of the Summary describes the amount of certificates sold publicly, including plan investors, and the amount of subordinated certificates sold privately to other investors. The applicant wishes to clarify that the percentages and other data used in this description relate only to the first lease securitization conducted by World Omni. The applicant notes that each lease securitization is slightly different.

In this regard, the Department acknowledges the applicant's clarification. However, the Department notes that each lease securitization involving sales of certificates to employee benefit plans covered by the exemption must comply with all of the General Conditions discussed in Section II. In particular, Section II.A.(2) requires that the rights and interests evidenced by such certificates must not be subordinated to the rights and interests evidenced by other certificates of the same trust. The Department also notes that the exemptive relief provided by PTE 95-60 will be available for subordinated investments in a trust described herein by insurance company general accounts as a result of this exemption being included within the meaning of the term “Underwriter Exemption” as defined in Section V(h) of PTE 95-60.

Second, with respect to the descriptions in the Summary regarding the certificates paying a fixed rate of interest, the applicant wishes the Department to clarify whether the exemption would permit a Securitization Trust to issue certificates that pay floating interest rates. The applicant states that although the Summary only discusses fixed rate certificates (see, for example, Paragraph 6), to the extent that a Securitization Trust issues floating rate certificates under substantially similar circumstances as those presented with fixed rate certificates, the exemption should be applicable.

In this regard, the Department does not believe that it has enough information in the current exemption application file to determine whether the conditions required under the Proposal could be met for the issuance of floating rate certificates by a trust. For example, the Department notes that

Section II.A.(9) requires that the Average Lease Rate for leases in the SUBI portfolio after the “revolving period” must not be more than 200 basis points greater than the Average Lease Rate for the original pool of leases used to create the SUBI portfolio. The Department would need more information than is currently available in the exemption application file, including the applicant's comments, regarding how a securitization would operate when floating rate certificates are issued by a trust. For instance, the applicant has provided no information regarding: (i) how the “spread” between the certificate rate and the Average Lease Rate, required by the Rating Agencies, would be maintained for floating rate certificates if the leases allocated to the SUBI portfolio have fixed Lease Rates; (ii) whether leases allocated to a SUBI would have floating Lease Rates; (iii) whether floating Lease Rates would be consistent with the definition of the term “Lease Rate” contained in Section III.V. of the Proposal; (iv) what interest rate indices would be used to establish the certificate rate; (v) how certain changes in interest rates would affect the operation of the SUBI portfolio during the “revolving period”; (vi) whether, if Lease Rates for leases allocated to the SUBI are fixed, interest rate swap transactions would be used to pay floating rates on the certificates; and (vii) whether the compensation provided by the trust to the Servicer and Sponsor would be impacted in any way by significant changes in interest rates.

The Department is willing to consider the merits of amending the exemption for securitizations involving floating rate certificates, with conditions specifically addressing any issues relating thereto, at a later date.

Third, the applicant wishes to clarify certain of the events leading to the termination of a SUBI discussed in Paragraph 10. World Omni states that if the remaining principal balance of the investor certificates in any Securitization Trust drops to a level at or below some specified percentage of the original balance, the Sponsor of that trust may elect to repurchase all of the investor certificates for an amount at least equal to the outstanding principal balance (plus accrued interest) thereon. World Omni states further that once the Sponsor repurchases the investor certificates, it may either retain them, in which case the Securitization Trust continues to operate unaffected by the repurchase, or transfer them to the holder of the “Undivided Trust Interest” (UTI) in the Origination Trust (i.e. World Omni or an affiliate, as noted in

Paragraph 4), by sale or otherwise. In this latter event, World Omni notes that the UTI holder may direct the trustee to cancel all SUBI certificates in that Securitization Trust and reallocate to the UTI interest all remaining assets in the Origination Trust supporting that particular securitization.

Fourth, with respect to the arrangements made by World Omni or an affiliate for credit support discussed in Paragraphs 12 and 13 of the Summary, the applicant states that the information contained therein does not accurately describe the type of "credit support" World Omni currently uses for its lease securitizations. Paragraphs 12 and 13 state that the Servicer may act as an insurer by advancing funds to a trust to provide temporary or permanent credit support to cover any defaulted payments on the leases in the trust. However, World Omni wishes to clarify that the Servicer advances funds if an Obligor's payments are delinquent to "smooth the transaction's cash flow", but that the Servicer is not acting as an "insurer" in this role. World Omni also notes that the description contained in Paragraph 13(d) of the Summary regarding the credit support having "floor" dollar amounts to protect investors against large losses is not reflective of World Omni's current securitizations.⁸

World Omni represents that each lease securitization conducted to date has only required the funding of a Reserve Fund, the retention by the Sponsor of a subordinated interest in each Securitization Trust, the issuance of subordinated "B" class certificates (which are not held by plan investors), and approximately a 200 basis point "spread" between the Average Lease Rate for the leases held in the SUBI and the certificate rate for certificates issued by the Securitization Trust. These securitizations have obtained the desired high credit ratings from the Rating Agencies for the certificates issued by the Securitization Trust.

World Omni states that Paragraphs 12 and 13 in the Summary are generally descriptive of credit support arrangements made in offerings of asset-backed securities made by other trusts and could be used by World Omni and its affiliates in the future. However, World Omni represents that these arrangements are not currently used by World Omni for payments made on

certificates issued by its Securitization Trusts and have not been necessary to achieve the credit ratings from the Rating Agencies required under Section II.A.(3) and Section II.A.(7)(b) of the Proposal.

Fifth, with respect to Paragraph 15 of the Summary regarding periodic reports filed with the SEC, the applicant states that a Securitization Trust and its Sponsor may, in some cases, discontinue making filings under the Securities Exchange Act of 1934 (the '34 Act) if permitted to do so under the provisions of that Act by exemptions contained therein.

Sixth, the applicant notes that Paragraphs 16 and 18(f) of the Summary state that the secondary market in these certificates makes the certificates fairly liquid investments. However, the applicant states that since in some instances the certificates may be held by fewer than 100 investors, World Omni does not believe that all of these certificates should be characterized as fairly liquid investments.

Finally, the applicant has informed the Department that the certificates issued by a Securitization Trust in the future may involve multi-class certificates. Such multi-class certificates may be one of two types: (i) "strip" certificates; and (ii) "fast-pay/slow-pay" certificates.

"Strip" certificates are a type of security in which the stream of interest payments on the underlying receivables is split from the flow of principal payments and separate classes of certificates are established, each representing rights to disproportionate payments of principal and interest.

"Fast-pay/slow-pay" certificates involve the issuance of classes of certificates having different stated maturities or the same maturities with different payment schedules. The only difference between these multi-class certificates and the single-class certificates is the order in which distributions are made to certificateholders.

The applicant represents that any "strip" or "fast-pay/slow-pay" certificates issued by a trust will be the same as the type described in the Underwriter Exemptions previously granted by the Department. The applicant emphasizes that the rights of a plan purchasing such certificates will not be subordinated to the rights of another certificateholder in the event of default on any payment obligations for the certificates. With respect to "fast-pay/slow-pay" certificates, the applicant states that if the amount available for distribution to certificateholders is less than the amount required to be so

distributed, all senior certificateholders then entitled to receive distributions would share in the amount distributed on a pro rata basis. Thus, if a trust issues subordinate certificates, holders of such subordinate certificates would not be able to share in the amount distributed on a pro rata basis.

In this regard, the Department notes that although it believes that either the "strip" or the "fast-pay/slow-pay" certificates described above are included within the scope of the final exemption, it further notes that no relief is provided under the exemption for plan investments in subordinate certificates (other than as permitted herein for certain insurance company general accounts). In addition, the Department notes that the conditions of the exemption would require that any "strip" or "fast-pay/slow-pay" certificates receive one of the three highest ratings available from the Rating Agencies and that such certificates not receive a lower credit rating upon termination of the period during which additional leases may be added to the SUBI portfolio.⁹

The Department acknowledges all of the clarifications made by the applicant to the information contained in the Summary. For further information regarding the applicant's comments or other matters discussed herein, interested persons are encouraged to obtain a copy of the exemption application file [No. D-9840] which is available in the Public Documents Room of the Pension and Welfare Benefits Administration, U.S. Department of Labor, Room N-5638, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Accordingly, based on all of the facts and representations made by the applicant, the Department has determined to grant the proposed exemption as modified.

FOR FURTHER INFORMATION CONTACT: Mr. E. F. Williams of the Department, telephone (202) 219-8194. (This is not a toll-free number.)

Pediatric Dentistry Ltd. Profit Sharing Trust (the Plan) Located in Fargo, North Dakota

[Prohibited Transaction Exemption 96-13; Exemption Application No. D-09903]

Exemption

The restrictions of sections 406(a), 406(b)(1), and 406(b)(2) of the Act and

⁸The Department notes that if World Omni's future securitizations involve an entity acting as an "insurer" of a trust, as defined in Section III.I., such entity must be independent of the Servicer and should provide credit support arrangements consistent with the applicant's representations in Paragraph 13(d) of the Summary.

⁹The Department cautions plan fiduciaries to fully understand the risks involved with either "strip" or "fast-pay/slow-pay" certificates prior to any acquisitions of such certificates, and to make prudent determinations as to whether such certificates would adequately meet the investment objectives and liquidity needs of the plan.

the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1) (A) through (E) of the Code¹⁰ shall not apply to the cash sale of a parcel of improved real property (the Property) by the Plan to William Hunter, M.D. (Dr. Hunter), a party in interest with respect to the Plan; provided that: (1) The sale will be a one-time transaction for cash; (2) as a result of the sale, the Plan will receive in cash the *greater* of the cost to the Plan to acquire the Property or the fair market value of the Property, as of the date of the sale, as determined by the same independent, qualified appraiser who prepared the appraisal of the Property submitted by Dr. Hunter in the application for exemption; (3) the Plan will pay no commissions, fees, or other expenses as a result of the transaction; and (4) the terms of the sale will be no less favorable to the Plan than those it would have received in similar circumstances when negotiated at arm's length with unrelated third parties.

Written Comments

In the Notice of Proposed Exemption (the Notice), the Department invited all interested persons to submit written comments and requests for a hearing on the proposed exemption within forty-five (45) days of the date of the publication of the Notice in the Federal Register on May 10, 1995. All comments and requests for hearing were due by June 26, 1995.

During the comment period, the Department received no requests for hearing. However, the Department did receive a comment letter from Dr. Hunter, dated June 22, 1995. Dr. Hunter requested a modification of the operant language of condition number two on page 24901 of the Notice. In this regard, the proposed sale of the Property by the Plan to Dr. Hunter was conditioned on the Plan receiving cash, as a result of the sale, in the amount of the *greater* of \$79,000 or the fair market value of the Property, as determined by an independent, qualified appraiser, as of the date of the sale.

Dr. Hunter believes that the appraisal prepared by Jerry Link (Mr. Link) of Appraisal Services, Inc. in Fargo North, Dakota and submitted by Dr. Hunter with the application did not accurately reflect the fair market value of such Property. In this regard, Mr. Link determined that the fair market value of the Property was \$79,000, as of January 13, 1994. In his comment, Dr. Hunter

points out that a previous attempt to sell the Property in 1992 was unsuccessful at a purchase price of \$68,950. Further, Dr. Hunter indicates that the Property is located on the corner of a busy commercial intersection; and therefore, is less desirable than homes in the immediate area of quiet residential neighborhoods which were used as market comparables in the preparation of the previous appraisal. Dr. Hunter states that if the Property could be sold net by the Plan to an unrelated third party for \$79,000 or greater, he would do so. However, if there are no buyers for the Property at \$79,000 or greater, Dr. Hunter proposes to purchase the Property for cash at the fair market value of the Property, as determined by an independent qualified appraiser, as of the date of the sale.

The Department believes that it would be protective of the Plan and in the interest of the participants and beneficiaries of the Plan to sell the Property to Dr. Hunter for cash. However, it is the Department's position that under no circumstances should the Plan receive less than the Plan expended in acquiring the Property. In this regard, the Department has determined to impose two (2) additional safeguards on the transaction. First, the Department will require that, as a result of the cash sale of the Property by the Plan to Dr. Hunter, the Plan will receive the *greater* of the cost to the Plan to acquire the Property or the fair market value of the Property as of the date of the sale. Second, the Department will require that the fair market value of the Property, as of the date of the sale, be determined by the same independent, qualified appraiser who prepared the appraisal of the Property in the amount of \$79,000 submitted by Dr. Hunter in the application for exemption.

Accordingly, the language in condition number two on page 24901 of the Notice which states, "as a result of the sale, the Plan will receive in cash the *greater* of \$79,000 or the fair market value of the Property, as determined by an independent, qualified appraiser, as of the date of the sale," has been altered. The amended language of condition number two reads, "as a result of the sale, the Plan will receive in cash the *greater* of the cost to the Plan to acquire the Property or the fair market value of the Property, as of the date of the sale, as determined by the same independent, qualified appraiser who prepared the appraisal of the Property submitted by Dr. Hunter in the application for exemption."

After giving full consideration to the entire record, including the written comment from Dr. Hunter, the

Department has decided to grant the exemption, as described and amended above. In this regard, the comment letter submitted by Dr. Hunter to the Department has been included as part of the public record of the exemption application. The complete application file, including all supplemental submissions received by the Department, is made available for public inspection in the Public Documents Room of the Pension Welfare Benefits Administration, Room N-5638, U. S. Department of Labor, 200 Constitution Avenue, NW., Washington, DC 20210.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption refer to the Notice published on May 10, 1995, at 60 FR 24901.

FOR FURTHER INFORMATION CONTACT:
Angelena C. Le Blanc of the Department, telephone (202) 219-8883 (This is not a toll-free number.)

Morgan Stanley & Co. Incorporated (MS&Co) and Morgan Stanley Trust Company (MSTC) Located in New York, New York

[Prohibited Transaction Exemption 96-14; Application No. D-09940]

Exemption

The restrictions of sections 406(a)(1) (A) through (D) and 406(b) (1) and (2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1) (A) through (E) of the Code, shall not apply to the lending of securities to Morgan Stanley & Co., Incorporated (MS&Co) and to any other U.S. registered broker-dealers affiliated with Morgan Stanley Trust Company (the Affiliated Broker-Dealer, collectively, the MS Broker-Dealers) by employee benefit plans with respect to which MS&Co is a party in interest or for which Morgan Stanley Trust Company (MSTC) acts as directed trustee or custodian and securities lending agent and to the receipt of compensation by MSTC in connection with these transactions, provided that the following conditions are met:

1. Neither MS&Co nor MSTC has discretionary authority or control over a client-plan's assets involved in the transaction or renders investment advice (within the meaning of 29 CFR 2510.3-21(c)) with respect to those assets;

2. Any arrangement for MSTC to lend plan securities to the MS Broker-Dealers will be approved in advance by a plan fiduciary who is independent of MSTC and the MS Broker-Dealers;

3. A client-plan may terminate the arrangement at any time without penalty on five business days notice;

¹⁰ For purposes of this exemption, references to specific provisions of Title I of the Act, unless otherwise specified, refer also to the corresponding provisions of the Code.

4. The client-plans will receive collateral consisting of cash, securities issued or guaranteed by the U.S. government or its agencies or instrumentalities, bank letters of credit or other collateral permitted under PTE 81-6 or any successor, from the MS Broker-Dealers by physical delivery, book entry in a securities depository, wire transfer or similar means by the close of business on or before the day the loaned securities are delivered to the MS Broker-Dealers;

5. The market value of the collateral will initially equal at least 102 percent of the market value of the loaned securities and, if the market value of the collateral falls below 100 percent, the MS Broker-Dealers will deliver additional collateral on the following day such that the market value of the collateral will again equal 102 percent;

6. All procedures regarding the securities lending activities will at a minimum conform to the applicable provisions of Prohibited Transaction Exemptions (PTEs) 81-6 and 82-63;

7. The MS Broker-Dealer will indemnify each lending client-plan against any losses incurred by such plan in connection with the lending of securities to the MS Broker-Dealers;

8. The client-plan will receive the equivalent of all distributions made to holders of the borrowed securities during the term of the loan, including, but not limited to, cash dividends, interest payments, shares of stock as a result of stock splits and rights to purchase additional securities, or other distributions;

9. Only plans whose total assets have a market value of at least \$50 million will be permitted to lend securities to the MS Broker-Dealers. In the case of 2 or more plans maintained by a single employer or controlled group of employers, the \$50 million requirement may be met by aggregating the assets of such plans if the assets are commingled for investment purposes in a single master trust;

10. With regard to the "exclusive borrowing" agreement (as described below), the MS Broker-Dealer will directly negotiate the agreement with a plan fiduciary who is independent of the MS Broker-Dealers and MSTC, and such agreement may be terminated by either party to the agreement at any time; and

11. Prior to any plan's approval of the lending of its securities to the MS Broker-Dealer, a copy of this exemption (and the notice of pendency) will be provided to the plan.

WRITTEN COMMENTS: In the Notice of Proposed Exemption (the Notice), the

Department invited all interested persons to submit written comments on the proposed exemption within 45 days from the date of publication of the Notice in the Federal Register. All written comments were to have been received by the Department by September 25, 1995. The Department received one written comment. The comment was submitted on behalf of MS&Co and MSTC (the Applicants). The issues addressed in the comment and the Department's responses are summarized as follows:

1. In the introductory paragraph of the proposed exemption, MS&Co and its affiliated broker-dealers are collectively defined as the "MS Group". The Applicants believe that the use of the term "MS Group" will cause confusion because clients and internal personnel often refer to Morgan Stanley Group Inc. (the parent entity of MS&Co and MSTC) as the MS Group. Consequently, the Applicants request that all references to the "MS Group" be replaced with "MS Broker-Dealers". The Department does not object to this requested modification.

2. The first sentence of paragraph 5 of the Summary of Facts and Representations (SFR) on page 41120 stated:

MSTC and MS&Co request an exemption for the lending of securities owned by certain pension plans (client-plans) for which MSTC will serve as directed trustee or custodian to the MS Group, following disclosure of MSTC's affiliation with the MS Group, under either of the two arrangements described as Plan A and Plan B and for the receipt of compensation in connection with such transactions.

The Applicants request that, to clarify that, under Plan B MSTC will not always serve as directed trustee or custodian, the above quoted sentence should read as follows:

MSTC and MS&Co request an exemption for the lending of securities owned by certain pension plans (client-plans) with respect to which MS&Co is a party in interest or for which MSTC serves as directed trustee or custodian and securities lending agent, under either of the two arrangements described as Plan A and Plan B and for the receipt of compensation in connection with such transactions. When MSTC serves as directed trustee or custodian for the client-plans, MSTC will apprise the client-plans of its affiliation with the MS Broker-Dealers.

The Department does not object to this requested revision.

3. The Applicants wish to clarify that under Plan B a client plan may hire another custodian, instead of MSTC, to monitor the level of collateral held by a client plan. Accordingly, the Applicants state that clause (d) of paragraph 33 of the SFR should have read:

the collateral on each loan to the MS Broker-Dealers initially will be at least 102 percent of the market value of the loaned securities, which is in excess of the 100 percent collateral required under PTE 81-6, and will be monitored daily by MSTC under Plan A and by MSTC or another custodian under Plan B.

The Department concurs.

4. The applicants have requested that the following language be added to condition (9) and also immediately after the first sentence of paragraph 25 of the SFR.

In the case of 2 or more employee benefit plans maintained by a single employer or controlled group of employers, the \$50 million requirement may be met by aggregating the assets of such plans if the assets are commingled for investment purposes in a single master trust.

The Department has no objection to the proposed additional language, and, accordingly, has made the requested modification.

5. The Applicants have requested that the references to "MS&Co" in conditions (7) and (10) be replaced with "MS Broker-Dealers" to correctly reflect the respective responsibilities of the parties. The Department has made the requested modifications to the exemption.

6. The Applicants state that the reference to the "Basic Loan Agreement" and the "agreement" in paragraph 11 are incorrect and should be replaced with references to the "Authorization" because the agreement by MSTC to provide securities lending services to a client-plan will be included in the securities lending authorization (the Authorization), not the Basic Loan Agreement.

7. The Applicants note that paragraph 21 of the proposed exemption, which concerns Plan A, refers to the types of non-cash collateral permitted under "PTE 81-6 or any successor" while paragraph 28, which relates to Plan B, refers to "other non-cash collateral permitted under PTE 81-6." The Applicants request that the reference in paragraph 28 be modified to clarify that the permissible collateral under Plan B includes non-cash collateral permitted under any successor to PTE 81-6. The Department concurs.

The changes described above are hereby incorporated into the exemption as granted. Accordingly, after giving full consideration to the record, the Department has determined to grant the exemption, as described herein. In this regard, the Applicants' comments have been included as part of the public record of the exemption application. The complete application file is made available for public inspection in the

Public Documents Room of the Pension and Welfare Benefits Administration, room N-5638, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption refer to the Notice published on August 11, 1995 at 60 FR 41119.

FOR FURTHER INFORMATION CONTACT:

Virginia J. Miller of the Department, telephone (202) 219-8971. (This is not a toll-free number.)

Life Insurance Corporation Retirement Savings Plan (the Plan) Located in Dallas, Texas

[Prohibited Transaction Exemption 96-15, Exemption Application No. D-10048]

Exemption

The restrictions of sections 406(a), 406(b)(1), and 406(b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reason of section 4975(c)(1) (A) through (E) of the Code¹¹ shall not apply to the cash sale of 16 residential mortgage loans (the Loans) by the Life Insurance Company of the Southwest Holding Corporation Retirement Savings Plan (the Plan) to the Life Insurance Company of the Southwest (the Employer), a party in interest with respect to the Plan; provided that the following conditions are satisfied:

(a) as of the date of sale, the Employer will pay the greater of: (1) the outstanding principal balance plus any accrued, unpaid interest on each of the individual Loans, or (2) the fair market value of each of the individual Loans, as determined by a contemporaneous independent appraisal;

(b) the sale will be a one-time cash transaction; and

(c) the Plan will pay no costs or commissions as a result of the transaction.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption refer to the Notice of Proposed Exemption published on November 28, 1995 at 60 FR 58667.

FOR FURTHER INFORMATION CONTACT:

Janet L. Schmidt of the Department, telephone (202) 219-8883 (This is not a toll-free number.)

LEGENT Retirement Security Plan (the Plan) Located in Pittsburgh, PA

[Prohibited Transaction Exemption 96-16; Exemption Application No. D-10113]

Exemption

The restrictions of sections 406(a), 406(b)(1) and (b)(2) of the Act and the sanctions resulting from the application of section 4975 of the Code, by reasons of section 4975(c)(1)(A) through (E) of the Code, shall not apply to the cash sale by the Plan of a limited partnership interest (the Interest) in Consolidated Capital Institutional Properties Two Limited Partnership (CCIP/2) to LEGENT Corporation, a party in interest with respect to the Plan.

This transaction is conditioned upon the following requirements: (1) all terms and conditions of the sale are at least as favorable to the Plan as those obtainable in an arm's length transaction with an unrelated party; (2) the sale is a one-time transaction for cash; (3) the Plan is not required to pay any commissions, costs or other expenses in connection with the sale; and (4) the Plan receives a sales price which is not less than the greater of: (a) the fair market value of the CCIP/2 Interest as determined by a qualified, independent appraiser, or (b) the total acquisition cost plus opportunity costs attributable to the CCIP/2 Interest.

For a more complete statement of the facts and representations supporting the Department's decision to grant this exemption, refer to the notice of proposed exemption published on November 28, 1995 at 60 FR 58679.

FOR FURTHER INFORMATION CONTACT: Ms. Jan D. Broady of the Department, telephone (202) 219-8881. (This is not a toll-free number.)

General Information

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under section 408(a) of the Act and/or section 4975(c)(2) of the Code does not relieve a fiduciary or other party in interest or disqualified person from certain other provisions to which the exemptions does not apply and the general fiduciary responsibility provisions of section 404 of the Act, which among other things require a fiduciary to discharge his duties respecting the plan solely in the interest of the participants and beneficiaries of the plan and in a prudent fashion in accordance with section 404(a)(1)(B) of the Act; nor does it affect the requirement of section 401(a) of the Code that the plan must operate for the exclusive benefit of the

employees of the employer maintaining the plan and their beneficiaries;

(2) These exemptions are supplemental to and not in derogation of, any other provisions of the Act and/or the Code, including statutory or administrative exemptions and transactional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction; and

(3) The availability of these exemptions is subject to the express condition that the material facts and representations contained in each application are true and complete and accurately describe all material terms of the transaction which is the subject of the exemption. In the case of continuing exemption transactions, if any of the material facts or representations described in the application change after the exemption is granted, the exemption will cease to apply as of the date of such change. In the event of any such change, application for a new exemption may be made to the Department.

Signed at Washington, D.C., this 6th day of March, 1996.

Ivan Strasfeld,

*Director of Exemption Determinations,
Pension and Welfare Benefits Administration,
U.S. Department of Labor.*

[FR Doc. 96-5745 Filed 3-11-96; 8:45 am]

BILLING CODE 4510-29-P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice 96-026]

NASA Advisory Council, Minority Business Resource Advisory Committee Meeting

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act, Public Law 92-463, as amended, the National Aeronautics and Space Administration announces a forthcoming meeting of the NASA Advisory Council, Minority Business Resource Advisory Committee.

DATES: March 20, 1996, 9 a.m. to 4 p.m.

ADDRESSES: NASA Kennedy Space Center, Headquarters Building, Room 4102 (4th Floor Conference Room), Kennedy Space Center, FL 32899.

FOR FURTHER INFORMATION CONTACT: Mr. Ralph C. Thomas, III, Office of Small and Disadvantaged Business Utilization, National Aeronautics and Space

¹¹ For purposes of this exemption, references to specific provisions of Title I of the Act, unless otherwise specified, refer also to the corresponding provisions of the Code.

Administration, Room 9K70, 300 E Street SW., Washington, DC 20546, (202) 358-2088.

SUPPLEMENTARY INFORMATION: The meeting will be open to the public up to the seating capacity of the room. The agenda for the meeting is as follows:

- Call to Order
- Reading of Minutes
- Update on NASA SDB Program
- Report from the Chairman
- Public Comment
- Proposed MBRAC Recommendations
- Subcommittee Reports
- New Business
- Adjourn

It is imperative that the meeting be held on this date to accommodate the scheduling priorities of the key participants. Visitors will be requested to sign a visitor's register.

Dated: March 26, 1996.

Leslie M. Nolan,

*Advisory Committee Management Officer,
National Aeronautics and Space
Administration.*

[FR Doc. 96-5862 Filed 3-11-96; 8:45 am]

BILLING CODE 7510-01-M

NATIONAL SCIENCE FOUNDATION

Special Emphasis Panel in Cross Disciplinary Activities; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92-463, as amended), the National Science Foundation announces the following meeting.

Name: Special Emphasis Panel in Cross Disciplinary Activities (#1193).

Date and Time: March 29, 1996; 8:30 am-5 pm

Place: National Science Foundation, 4201 Wilson Boulevard, Room 1150, Arlington, VA 22230.

Type of Meeting: Closed

Contact Person(s): Rita V. Rodriguez, Program Director, CISE/CDA, Room 1160, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230. Telephone: (703) 306-1980.

Purpose of Meeting: To provide advice and recommendations concerning proposals submitted to NSF for financial support.

Agenda: To review and evaluate CISE Minority Institutions Infrastructure proposals as part of the selection process for awards.

Reasons for closing: The proposals being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b(c), (4) and (6) of the Government in the Sunshine Act.

Dated: March 6, 1996.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 96-5797 Filed 3-11-96; 8:45 am]

BILLING CODE 7555-01-M

NATIONAL TRANSPORTATION SAFETY BOARD

Sunshine Act Meeting

TIME AND DATE: 9:30 a.m., Tuesday, March 19, 1996.

PLACE: The Board Room, 5th Floor, 490 L'Enfant Plaza, S.W., Washington, D.C. 20594.0

STATUS: Open.

MATTERS TO BE CONSIDERED:

6531A Railroad Accident Report: Collision of Two New York City Transit Subway Trains in Brooklyn, New York, February 9, 1995.

NEWS MEDIA CONTACT: Telephone: (202) 382-0660.

FOR MORE INFORMATION CONTACT: Bea Hardesty, (202) 382-6525.

Dated: March 8, 1996.

Bea Hardesty,

Federal Register Liaison Officer.

[FR Doc. 96-5948 Filed 3-8-96; 11:15 am]

BILLING CODE 7533-01-M

NUCLEAR REGULATORY COMMISSION

[Docket No. STN 50-529]

Arizona Public Service Company, et al. (Palo Verde Nuclear Generating Station, Unit No. 2); Exemption

I

The Arizona Public Service Company, et al. (APS or the licensee), is the holder of Facility Operating License No. NPF-51, which authorizes operation of the Palo Verde Nuclear Generating Station (PVNGS), Unit No. 2, a pressurized-water reactor (PWR) located in Maricopa County, Arizona. This license provides, among other things, that the licensee is subject to all the rules, regulations, and orders of the Commission now or hereafter in effect.

II

Section 50.46 of Title 10 of the Code of Federal Regulations (10 CFR 50.46) contains acceptance criteria for emergency core cooling systems (ECCS) for light-water nuclear power reactors fueled with uranium oxide pellets within cylindrical zircaloy cladding. Further, 10 CFR 50.46 states that ECCS cooling performance following

postulated loss-of-coolant accidents must be calculated in accordance with an acceptable evaluation model. Appendix K to 10 CFR Part 50 contains the required and acceptable features for ECCS evaluation models. Finally, 10 CFR 50.44 contains requirements for the control of hydrogen gas that may be generated after a postulated loss-of-coolant accident (LOCA) in light-water power reactors fueled with uranium oxide pellets within cylindrical zircaloy cladding.

III

By letter dated December 20, 1995, APS submitted an amendment request for PVNGS Unit 2 to allow fuel rods clad with advanced zirconium-based alloys to be substituted in two fuel assemblies for up to 40 rods clad with conventional Zircaloy-4. These assemblies would be used for evaluating in-reactor performance during fuel cycles 7, 8, and 9.

By letter dated January 12, 1996, APS submitted a request for an exemption to 10 CFR 50.46, 10 CFR Part 50, Appendix K, and 10 CFR 50.44. These regulations refer to the use of zircaloy, but do not clearly specify what is considered zircaloy. Therefore, the use of advanced zirconium-based alloys rather than conventional Zircaloy-4 may not be within the regulatory basis.

Pursuant to 10 CFR 50.12(a), "The Commission may, upon application by any interested person or upon its own initiative, grant exemptions from the requirements of the regulations of this part, which are—(1) Authorized by law, will not present an undue risk to the public health and safety, and are consistent with the common defense and security. (2) The Commission will not consider granting an exemption unless special circumstances are present. Special circumstances are present whenever * * * (ii) Application of the regulation in the particular circumstances would not serve the underlying purpose of the rule or is not necessary to achieve the underlying purpose of the rule."

The Code of Federal Regulations at 10 CFR 50.46 states: "Each boiling and pressurized light-water nuclear power reactor fueled with uranium oxide pellets within cylindrical Zircaloy cladding must be provided with an ECCS that must be designed such that its calculated cooling performance following postulated loss-of-coolant accidents conforms to the criteria set forth in paragraph (b) of this section. ECCS cooling performance must be calculated in accordance with an acceptable evaluation model and must be calculated for a number of postulated

loss-of-coolant accidents of different sizes, locations, and other properties sufficient to provide assurance that the most severe postulated loss-of-coolant accidents are calculated." The Code of Federal Regulations at 10 CFR 50.46 then goes on to give specifications for peak cladding temperature, maximum cladding oxidation, maximum hydrogen generation, coolable geometry, and long-term cooling. Since 10 CFR 50.46 specifically refers to fuel with Zircaloy cladding, the use of fuel clad with advanced zirconium-based alloys would, in effect, place the licensee outside the applicability of this section of the Code.

The underlying purpose of the rule is to ensure that facilities have adequate acceptance criteria for ECCS. The fuel rods clad with the advanced zirconium-based alloys will be identical in design and dimension to the fuel rods clad with conventional Zircaloy-4. The advanced cladding materials used in the demonstration fuel assemblies were chosen based on the improved corrosion resistance exhibited in ex-reactor autoclave corrosion tests in both high-temperature water and steam environments. Fuel rods clad with similar types of advanced zirconium-based alloys have been successfully irradiated in high-temperature PWRs in Europe.

The mechanical properties of the clad made from the advanced zirconium-based alloys meet all the mechanical requirements of the conventional Zircaloy-4 procurement specifications. Thus, the cladding and structural integrity of the fuel rods and fuel assemblies that have the advanced zirconium-based alloys will be maintained.

Therefore, due to these similarities between advanced zirconium-based alloys and Zircaloy-4, the advanced alloys are expected to result in clad and fuel performance similar to Zircaloy-4, such that the 10 CFR 50.46 LOCA acceptance criteria will be satisfied for the advanced zirconium-based cladding. Thus, the underlying purpose of the rule has been met.

Strict interpretation of the regulation would render the criteria of 10 CFR 50.46 inapplicable to the advanced zirconium-based alloys, even though analysis shows that applying the Zircaloy criteria to the advanced zirconium-based alloys yields acceptable results.

A strict application of the regulation in this instance is not necessary to achieve the underlying purpose of the rule. Therefore, special circumstances exist to grant an exemption from 10 CFR 50.46(a)(1)(i) that would allow the

licensee to apply the acceptance criteria of 10 CFR 50.46 to a reactor with 40 fuel rods clad with advanced zirconium-based alloys.

The Code of Federal Regulations at 10 CFR 50.44 provides requirements for control of hydrogen gas generated in part by Zircaloy clad fuel after a postulated LOCA. The intent of this rule is to ensure that an adequate means is provided for the control of hydrogen gas that may be generated following a LOCA.

The hydrogen produced in a post-LOCA scenario comes from cladding oxidation from a metal-water reaction. Most of the high-temperature oxidation occurs in the β -phase since the diffusion coefficient for oxygen in the β -phase of zirconium is significantly greater than that in α -phase zirconium.

The β -phase oxidation resistance of the alloys is expected to be as good as or better than that of Zircaloy-4. It is expected that the alloying element levels adjusted to improve the corrosion resistance of the α -phase of these alloys with respect to the α -phase of Zircaloy-4 will result in an improvement of the corrosion resistance of the β -phase of these alloys as well. It is therefore concluded that the β -phase oxidation rate of the alloys will be comparable to or lower than that of Zircaloy-4 and that the Baker-Just correlation will overpredict the β -phase oxidation of the alloys. A strict interpretation of the rule in this instance would result in the criteria of 10 CFR 50.44 inapplicable to advanced zirconium-based alloys. Since application of the regulation is not necessary to achieve the underlying purpose of the rule, special circumstances exist to grant an exemption from 10 CFR 50.44 to a reactor containing 40 fuel rods clad with advanced zirconium-based alloys.

Paragraph I.A.5 of Appendix K to 10 CFR Part 50 states that the rates of energy release, hydrogen generation, and cladding oxidation from the metal-water reaction shall be calculated using the Baker-Just equation. However, since the Baker-Just equation presumes the use of Zircaloy clad fuel, strict application of the rule would not permit use of the equation. The intent of this part of Appendix K, however, is to apply an equation that conservatively bounds all post-LOCA scenarios. Due to the similarities in the composition of the advanced zirconium-based alloys and Zircaloy, the application of the Baker-Just equation in the analysis of advanced zirconium-based clad fuel will conservatively bound all post-LOCA scenarios. Since the use of the Baker-Just equation presupposes Zircaloy cladding and post-LOCA

scenarios are conservatively bounded, the underlying purpose of the rule will be met. Thus, special circumstances exist to grant an exemption from Paragraph I.A.5 of Appendix K to 10 CFR Part 50 that would allow the licensee to apply the Baker-Just equation to advanced zirconium-based alloys.

IV

Accordingly, the Commission has determined that, pursuant to 10 CFR 50.12, this exemption is authorized by law, will not present an undue risk to the public health and safety, and is consistent with the common defense and security. The Commission has determined, pursuant to 10 CFR 50.12(a)(2)(ii) that special circumstances exist, as noted in Section III above. Therefore, the Commission hereby grants Arizona Public Service Company, et al., an exemption from 10 CFR 50.46, 10 CFR Part 50, Appendix K, and 10 CFR 50.44.

Pursuant to 10 CFR 51.32, the Commission has determined that granting this exemption will not have a significant impact on the human environment (61 FR 5042).

This exemption is effective upon issuance and shall expire at the completion of the ninth Unit 2 refueling outage.

Dated at Rockville, Maryland, this 6th day of March 1996.

For the Nuclear Regulatory Commission.
Elinor G. Adensam,
Deputy Director, Division of Reactor Projects III/IV, Office of Nuclear Reactor Regulation.
[FR Doc. 96-5813 Filed 3-11-96; 8:45 am]

BILLING CODE 7590-01-P

[Docket No. STN 50-529]

Arizona Public Service Company; Palo Verde Nuclear Generating Station, Unit No. 2, Environmental Assessment and Finding of No Significant Impact

In notice document 96-2834 beginning on page 5042, in the issue of Friday, February 9, 1996, make the following corrections:

In the third full paragraph, in the first column, on page 5042, in line 3, the date of "December 20, 1995" should be corrected to read "January 12, 1996."

In the fourth full paragraph, in the third column, on page 5042, in line 3, the date of "December 20, 1995" should be corrected to read "January 12, 1996."

Dated at Rockville, Maryland, this 6th day of March 1996.

For the Nuclear Regulatory Commission.
Charles R. Thomas,
*Project Manager, Project Directorate IV-2,
Division of Reactor Projects III/IV, Office of
Nuclear Reactor Regulation.*
[FR Doc. 96-5814 Filed 3-11-96; 8:45 am]
BILLING CODE 7590-01-P

[Docket No. 50-77]

**Environmental Assessment and
Finding of No Significant Impact
Regarding Termination of Facility
License No. R-31, Catholic University
of America, AGN-201 Nuclear
Research Reactor**

The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an Order terminating Facility License No. R-31 for the Catholic University of America (the licensee) Aerojet-General Nucleonics (AGN-201) Nuclear Research Reactor located in Washington, District of Columbia, in accordance with the application dated February 6, 1992, as supplemented on June 2, 1995.

Environmental Assessment

Identification of Proposed Action

The proposed action would authorize the licensee to decontaminate and dismantle its AGN-201 Nuclear Reactor Facility, and dispose of its component parts in accordance with the proposed decommissioning plan. Following an "Order Authorizing Decommissioning Plan and Authorizing Decommissioning of the Catholic University of America Research Reactor," dated September 24, 1992, (57 FR 45094) the licensee completed the dismantlement and submitted a final survey report on December 20, 1994, as supplemented on September 22, 1995. A NRC Region I inspector conducted a survey of the Facility on November 7-9, 1995, (Inspection Report No. 50-77/95-01). Region I, in a memorandum dated December 11, 1995, concluded that their inspection findings confirmed the data developed in the licensee final survey report. The proposed action is in accordance with the licensee's application dated February 6, 1992.

The Need for Proposed Action

The proposed action is to release the facility for unrestricted access and use, and Facility License No. R-31 must be terminated.

Environmental Impact of License Termination

The licensee indicates that the residual contamination levels comply with the criteria of Regulatory Guide

1.86 Table 1, for unrestricted release of the facility. The licensee also indicates that the radiological exposure at the facility is also less than 5 micro R/hr above background at one meter which has also been accepted by the NRC for unrestricted release of facilities. These measurements have been verified by the NRC Region I inspection. The NRC finds that since these criteria have been met there is no significant impact on the environment and the facility can be released for unrestricted use.

Alternatives to the Proposed Action

As an alternative to the proposed action, the staff considered denial of the proposed action. Denial of the application would result in no change in environmental impacts and would deny release of the site for unrestricted use and require continuance of the facility license. The environmental impacts of the proposed action and the alternative action are similar. Since the reactor and component parts have been dismantled and disposed of in accordance with NRC regulations and guidelines, there is no viable alternative to termination of Facility License No. R-31.

Agencies and Persons Consulted

The NRC staff consulted with the Program Manager for the Pharmaceutical, Radiological and Medical Devices Control Division of the District of Columbia regarding the proposed action.

Finding of No Significant Impact

Based upon the environmental assessment, the Commission concludes that the issuance of the Order will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to this proposed action, see the licensee's submittal on decommissioning the facility, dated February 6, 1992, as supplemented on June 2, 1995. These documents are available for public inspection at the Commission's Public Document Room, 2120 L Street, NW., Washington, DC 20555.

Dated at Rockville, Maryland this 6th day of March 1996.

For the Nuclear Regulatory Commission.
Seymour H. Weiss,
*Director, Non-Power Reactor and
Decommissioning Project Directorate,
Division of Reactor Program Management,
Office of Nuclear Reactor Regulation.*
[FR Doc. 96-5816 Filed 3-11-96; 8:45 am]
BILLING CODE 7590-01-P

**Advisory Committee on Reactor
Safeguards**

**Subcommittee Meetings on Thermal
Hydraulic Phenomena; Notice of
Meeting**

The ACRS Subcommittee on Thermal Hydraulic Phenomena will hold a meeting on March 21 and 22, 1996, at the Los Angeles Airport Hilton, 5711 West Century Blvd., Los Angeles, California.

Portions of the meeting may be closed to public attendance to discuss General Electric Nuclear Energy Company proprietary information pursuant to 5 U.S.C. 552b(c)(4).

The agenda for the subject meeting shall be as follows:

*Thursday, March 21, 1996—8:30 a.m.
until the conclusion of business.*

*Friday, March 22, 1996—8:30 a.m.
until the conclusion of business.*

The Subcommittee will discuss the NRC Office of Nuclear Regulatory Research (RES) test and analysis program being conducted in support of the Simplified Boiling Water Reactor (SBWR) passive plant design certification. The purpose of this meeting is to gather information, analyze relevant issues and facts, and to formulate proposed positions and actions, as appropriate, for deliberation by the full Committee.

Oral statements may be presented by members of the public with the concurrence of the Subcommittee Chairman; written statements will be accepted and made available to the Committee. Electronic recordings will be permitted only during those portions of the meeting that are open to the public, and questions may be asked only by members of the Subcommittee, its consultants, and staff. Persons desiring to make oral statements should notify the cognizant ACRS staff engineer named below five days prior to the meeting, if possible, so that appropriate arrangements can be made.

During the initial portion of the meeting, the Subcommittee, along with any of its consultants who may be present, may exchange preliminary views regarding matters to be considered during the balance of the meeting.

The Subcommittee will then hear presentations by and hold discussions with representatives of the NRC staff, its consultants, and other interested persons regarding this review.

Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the scheduling of sessions which are open to the public, the Chairman's ruling on

requests for the opportunity to present oral statements and the time allotted therefor can be obtained by contacting the cognizant ACRS staff engineer, Mr. Paul A. Boehnert (telephone 301/415-8065) between 7:30 a.m. and 4:15 p.m. (EST). Persons planning to attend this meeting are urged to contact the above named individual one or two working days prior to the meeting to be advised of any potential changes to the agenda, etc., that may have occurred.

Dated: March 4, 1996.

Sam Duraiswamy,
Chief Nuclear Reactors Branch.

[FR Doc. 96-5818 Filed 3-11-96; 8:45 am]

BILLING CODE 7590-01-P

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Nuclear Regulatory Commission.

DATE: Weeks of March 11, 18, 25, and April 1, 1996.

PLACE: Commissioners' Conference Room, 11555 Rockville Pike, Rockville, Maryland.

STATUS: Public and Closed.

MATTERS TO BE CONSIDERED:

Week of March 11

There are no meetings scheduled for the Week of March 11.

Week of March 18—Tentative

Tuesday, March 19

10:30 a.m.

Briefing on U.S. Enrichment Corporation Certification (Public Meeting)
(Contact: John Hickey, 301-415-7192)

Week of March 25—Tentative

Wednesday, March 27

10:30 a.m.

Meeting with Nuclear Safety Research Review Committee (NSRRC) (Public Meeting)
(Contact: Jose Cortez, 301-415-6596)

Week of April 1

Monday, April 1

10:00 a.m.

Briefing on Progress of Design Certification Review and Implementation (Public Meeting)
(Contact: Ted Quay, 301-415-1118)

Thursday, April 4

10:00 a.m.

Briefing on PRA Implementation Plan (Public Meeting)
(Contact: Ashok Thadani, 301-415-1274)

11:30 a.m.

Affirmation Session (Public Meeting) (if needed)

2:00 p.m.

Briefing on Status of Activities with CNWRA and HLW Program (Public Meeting)

(Contact: Shirley Fortuna, 301-415-7804)

ADDITIONAL INFORMATION: By a vote of 3-0 on March 7, the Commission determined pursuant to U.S.C. 552b(e) and § 9.107(a) of the Commission's rules that "Affirmation of Yankee Atomic Electric Company (Yankee Nuclear Power Station), Docket No. 50-029-DCOM" (Public Meeting) be held on March 7, and on less than one week's notice to the public.

The schedule for commission meetings is subject to change on short notice. To verify the status of meetings call (recording)—(301) 415-1292.

CONTACT PERSON FOR MORE INFORMATION: Bill Hill (301) 415-1661.

This notice is distributed by mail to several hundred subscribers; if you no longer wish to receive it, or would like to be added to it, please contact the Office of the Secretary, Attn: Operations Branch, Washington, D.C. 20555 (301-415-1963).

In addition, distribution of this meeting notice over the internet system is available. If you are interested in receiving this Commission meeting schedule electronically, please send an electronic message to alb@nrc.gov or gkt@nrc.gov.

Dated: March 8, 1996.

William M. Hill, Jr.,
SECY Tracking Officer, Office of the Secretary.

[FR Doc. 96-6053 Filed 3-8-96; 3:42 pm]

BILLING CODE 7590-01-M

POSTAL SERVICE

Privacy Act of 1974; System of Records; Revision and Final

AGENCY: Postal Service.

ACTION: Final notice.

SUMMARY: This document revises the proposed new routine use to the Privacy Act system of records USPS 080.010, Inspection Requirements—Investigative File System, that was published in the Federal Register on Tuesday, November 14, 1995 (60 FR 57254-57255) and corrected in the Federal Register on November 28, 1995 (60 FR 58693).

In response to these notices, the American Postal Workers Union, AFL-CIO, submitted comments expressing its concern that the language of the routine use was overly broad and could result in harm or unfairness to individuals whose records were disclosed on electronic bulletin boards to organizations or individuals that were not directly impacted by the suspected or actual criminal activity.

The Postal Service has reviewed the union's comments and has decided to revise the language of the routine use to further restrict the disclosure of records

of identified individuals on electronic bulletin boards to organizations or individuals that could be injured by the suspected or actual criminal activity.

New routine use number 12 should be changed to read as follows:

"12. A record from this system may be disclosed on an electronic bulletin board to organizations or individuals in the public or private sectors that share in the bulletin board, provided that the disclosure is approved by the Chief Postal Inspector, or delegate, because it is deemed necessary: (1) To elicit information or cooperation from these organizations or individuals for use by the Postal Inspection Service in the performance of an authorized activity; or (2) to alert these organizations or individuals of possible criminal activity that could affect them for which the Postal Inspection Service has authority to investigate and about which it has obtained credible information."

Dated: February 27, 1996.

Stanley F. Mires,
Chief Counsel, Legislative.

[FR Doc. 96-5780 Filed 3-11-96; 8:45 am]

BILLING CODE 7710-12-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 21808; 812-9684]

The Benchmark Funds and The Northern Trust Company; Notice of Application

March 5, 1996.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Exemption under the Investment Company Act of 1940 (the "Act").

APPLICANTS: The Benchmark Funds (the "Trust"), The Northern Trust Company ("Northern").

RELEVANT ACT SECTIONS: Order requested under section 17(d) of the Act and rule 17d-1 thereunder.

SUMMARY OF APPLICATION: Applicants request an order to permit applicants to jointly enter into repurchase agreements with non-affiliated financial institutions.

FILING DATES: The application was filed on July 24, 1995, and amended on October 18, 1995. Applicants have agreed to file an amendment during the notice period, the substance of which is included in this notice.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing.

Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on April 1, 1996 and should be accompanied by proof of service on applicants, in the form of an affidavit, or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW., Washington, DC 20549. Applicants: The Benchmark Funds, 4900 Sears Tower, Chicago, IL, 60606; and The Northern Trust Company, 50 South LaSalle Street, Chicago, IL, 60675.

FOR FURTHER INFORMATION CONTACT: Marianne H. Khawly, Staff Attorney, at (202) 942-0562, or Robert A. Robertson, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUMMARY INFORMATION: The following is a summary of the application. The complete application is available for a fee from the SEC's Public Reference Branch.

Applicants' Representations

1. The Trust is a registered investment company that currently offers the following four money market portfolios: The Government Portfolio, Diversified Assets Portfolio, Tax-Exempt Portfolio, and Government Select Portfolio (collectively, the "Money Market Portfolios"). The Trust also currently offers twelve non-money market portfolios (collectively, the "Non-Money Market Portfolios," and together with the Money Market Portfolios, the "Portfolios"). Northern serves as investment adviser, transfer agent, and custodian to the Trust.¹ Initially, only the Government Portfolio and Diversified Assets Portfolio would enter into the master repurchase agreements described below. Applicants request, however, that the relief extend to any existing or future portfolio of the Trust and any future management investment company or series thereof that is advised by Northern, or any person directly or indirectly controlling, controlled by, or under common control with Northern, which holds itself out to investors as being related for purposes of investment and investor services, and

the investment adviser of such portfolios.

2. The net asset values per unit of the Trust's Government Portfolio and Diversified Assets Portfolio are determined, and units of each of these Portfolios are priced, daily as of 3:00 p.m. Central Time using the amortized cost method pursuant to rule 2a-7 under the Act. Currently, to be executed on a given day, a purchase order for units of the Money Market Portfolios must be received that day by Northern by 1:00 p.m. Central Time, which is the latest time orders may be placed for overnight investment of funds received that day.² Purchase orders received after this time are executed the next business day. Purchase orders for units of the Government Portfolio and Diversified Assets Portfolio are executed only when federal or other funds are immediately available to Northern for investment by the Trust.

3. Units of the Trust are offered to institutional investors including Northern. Applicants intend that Northern, acting as agent for its customers and customers of its affiliated, in accordance with the terms of the customers' standing instructions or agreements, automatically will invest excess cash balances in the customers' respective accounts at Northern in units of the Portfolios. These same-day "sweep" transactions will be effected automatically by computer each business day as of 1:00 p.m. Central Time. However, the machine processing required to tabulate the day's transaction activity in Northern's customer accounts will be completed later that same day after the close of regular business through Northern's data processing system. It is currently anticipated that such processing will normally be effected at approximately 11:00 p.m. Central Time (the "Completion Time").

4. Northern, each trading day, estimates the amount of excess cash that will be in its customer accounts and purchases that amount of Portfolio units on behalf of its customers. While total assets invested in a Portfolio through the same-day "sweep" program each day will therefore not be known with precision until the Completion Time that evening, such assets will be held by Northern, as of 1:00 p.m. Central Time, and will be available immediately for investment. After Completion Time, the records maintained by Northern for its customer accounts will show a cash debit for the number of units purchased and a credit for the number of units

redeemed as of 1:00 p.m. Central Time. Also after Completion Time, Northern will show for the Portfolios' unitholder account records, credits (debits) to the corresponding unitholder accounts for the number of Portfolio units automatically purchased (redeemed) as of 1:00 p.m. Central Time.

5. Applicants contemplate that the amount that is in fact "swept" into the Portfolios from the customer accounts each day will be limited so that the Portfolios will not have an uninvested cash position on that day as a result of the same-day "sweep" program. Any unanticipated account balances that were not included in Northern's estimates would not be "swept" into the Portfolios but will remain in the customer accounts for that day.

6. Applicants request relief to permit Northern, as investment adviser to the Portfolios, to invest the cash balances invested in the Portfolios, as a result of the same-day "sweep" program in repurchase transactions with non-affiliated counterparties, with confirmation of the exact principal amount of the transaction occurring the following business day. Each repurchase agreement will be valued by a Portfolio on an amortized cost basis and generally will have an overnight, over-the-weekend or over-a-holiday maturity and in no event will have a maturity exceeding seven days. Northern will administer and manage the repurchase agreements in accordance with and as part of its duties under its existing or future investment advisory agreements with the Portfolios and will not collect any additional fees from the Portfolios.

7. The Trust will use a master repurchase agreement (the "Master Agreement"). The Master Agreement establishes that, among other things, the other party to the repurchase transaction (the "Seller") send a confirmation of such transaction to Northern or the respective Portfolio's designated sub-custodian the next business day after the Portfolio has entered into the transaction. These confirmations must set forth with respect to each repurchase transaction: the specific eligible securities subject thereto; the sale price of such securities; the applicable interest rate; the applicable repurchase price; the applicable margin percentage; the date, if any, fixed for termination of the transaction; and a notation, if applicable, that the transaction is terminable upon demand.

8. Prior to the daily pricing of Portfolio units at 3:00 p.m. Central Time, Northern will enter into a repurchase transaction under the Master Agreement on behalf of a Portfolio in an amount which it estimates will cover

¹ Northern, with the approval of the Trust, may appoint sub-custodians and sub-transfer agents.

² For non-money market portfolios, the purchase, order deadline is 3:00 p.m. Central Time.

the day's activity in the same-day "sweep" program and will be sufficient to ensure the investment of the funds which the Portfolio will receive through the "sweep" program that day. For example, if Northern, as the Trust's adviser, estimates that the Government Portfolio and the Diversified Assets Portfolio will each receive net \$7 million during the day through automatic investment transactions (after allowing for other net sales or net redemptions of units of the Portfolios), Northern will enter into a repurchase transaction on behalf of the respective Portfolios by an amount which it believes is sufficient to ensure the investment of those monies (e.g., in this example, Northern might enter into an additional \$9 million in repurchase transactions for each Portfolio).

9. To the extent that a Portfolio's repurchase transaction is sufficient to make the Portfolio fully invested, with respect to its "sweep" funds, the Portfolio's custodian account will reflect the specific amount that it had, in fact, invested in the transaction, including its ownership of the eligible securities purchased by such investments. If the amount of the repurchase transaction is not sufficient to make the Portfolio fully invested, with respect to its "sweep" funds, the Portfolio's records will reflect its investment in the entire amount of the repurchase transaction. It is currently contemplated that any amounts that would cause the Portfolio to have an uninvested cash position would not be swept but would remain in the customer accounts. To the extent that the total amount credited to the account of the Seller when it transferred eligible securities the previous day exceeded a Portfolio's assets that were available for investment, as shown by the results of the day's computer processing, Northern would have purchased such securities with its own funds and have entered into a repurchase transaction with the Seller for its own account.

10. In the event that a repurchase transaction entered into the previous day was secured by more than one issue of securities, and such issues differed as to quality, maturity, or rate, each particular issue will be apportioned *pro rata* to the extent possible between the relevant Portfolio and Northern. In the event that an exact *pro rata* allocation cannot be made, securities will be distributed in a manner judged by Northern to leave each party in a comparably secured position. A Portfolio would continue to have a perfected security interest in those eligible securities which were

confirmed to it as being subject to its repurchase transaction.

Applicants' Legal Analysis

1. Section 17(d) of the Act makes it unlawful for an affiliated person of a registered investment company, acting as principal, to effect any transaction in which the registered investment company is a joint or a joint and several participant with such person in contravention of rules and regulations the SEC may prescribe. Rule 17d-1(a) provides that an affiliated person of a registered investment company, acting as principal, shall not participate in, or effect any transaction in connection with, any joint enterprise or other joint arrangement in which the registered investment company is a participant unless the SEC has issued an order approving the arrangement.

2. Applicants believe that Northern's same-day "sweep" program does not raise any issues under section 17(d) or rule 17d-1. The effect of the program is to computerize the Trust's purchase and redemption procedures for these unitholders. However, to the extent that assets of Northern and the Portfolios are used to enter into repurchase transactions, Northern may be deemed to "participate in," as principal, an "arrangement" concerning "an enterprise or undertaking" whereby Northern and the Portfolios have a joint or a joint and several participation." Applicants submit that the requested relief is appropriate and in the public interest because it will permit the investment of cash immediately when it is available and will thereby reduce dilution in daily dividends.

3. Applicants believe that the proposed procedure ensues that each Portfolio is fully invested and provides only benefits and not disadvantages to unitholders. Each Portfolio's rights, *vis-a-vis* a Seller, under the repurchase transactions will be protected by the Master Agreement that is substantially similar to the form that has been developed for the industry. Pending reconciliation of the day's transaction activity, Northern will segregate and hold for the exclusive benefit of a Portfolio all securities transferred to Northern in connection with the repurchase transactions entered into for the Portfolio. Until the amount of the Portfolio's assets actually invested in the transaction is determined at the end of the day, Northern will assume that only a Portfolio's assets were used and the Portfolio will have a perfected security interest in such securities.

4. Applicants believe that the interest of Northern in negotiating the maximum interest rate available on any repurchase

transaction entered into for a Portfolio will be the same as that of the Portfolio. Therefore, to the extent that Northern is deemed to have any participation in the proposed investment procedure within the meaning of section 17(d) and rule 17d-1(a), the Trust's participation is consistent with the provisions, policies, and purposes of the Act and not on a basis different from or less advantageous than that of Northern. Thus, applicants believe that the requested relief meets the standards of rule 17d-1.

Applicants' Conditions

Applicants agree as conditions to the requested exemptive relief that:

1. All repurchase agreements entered into pursuant to the application will be on terms that are reasonable and fair and will not cause any applicant to participate on a basis that is less advantageous than any other applicant.

2. All repurchase agreement transactions entered into pursuant to the application will be "collateralized fully" as defined in rule 2a-7 under the Act and will satisfy the uniform standards set by the Portfolios for such investments.

3. All repurchase agreements entered into by the Portfolios pursuant to the application will be valued on an amortized cost basis.

4. Each Portfolio will retain the sole rights of ownership of any of its assets, including interest payable on such assets, invested in repurchase agreement transactions pursuant to the application. Each Portfolio's investment in such repurchase agreement transactions will be documented daily on the books of the Portfolio as well as on Northern's books.

5. Each Portfolio will participate in the income earned or accrued in any single repurchase agreement transaction entered into pursuant to the application on the basis of the percentage of the total amount invested in such transactions by a Portfolio on any day.

6. Northern will administer, manage, and invest in any repurchase agreement transactions entered into pursuant to the application in accordance with and as part of its duties under its existing or future contracts with each Portfolio, and will not collect any additional fee or separate fee from the Portfolios for the administration of such transactions.

7. All repurchase agreement transactions entered into pursuant to the application will generally have an overnight, over-the-weekend, or over-a-holiday maturity and in no event will they have a maturity exceeding seven days.

8. All repurchase agreement transactions will be effected in accordance with Investment Company

Act Release No. 13005 (Feb. 2, 1983) and with other existing and future positions taken by the SEC or its staff by rule, interpretive release, no-action letter, any release adopting any new rule, or any release adopting any amendments to any existing rule.

9. Any investment made in repurchase agreement transactions pursuant to the application will satisfy the investment policies or criteria of all Portfolios participating in that investment.

For the Commission, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-5783 Filed 3-11-96; 8:45 am]

BILLING CODE 8010-01-M

[Investment Company Act Release No. 21810; 811-6193]

Nomura Dividend Income Fund; Notice of Application

March 6, 1996.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Deregistration under the Investment Company Act of 1940 (the "Act").

APPLICANT: Nomura Dividend Income Fund.

RELEVANT ACT SECTION: Section 8(f).

SUMMARY OF APPLICATION: Applicant requests an order declaring that it has ceased to be an investment company.

FILING DATE: The application was filed on January 31, 1996, and an amendment thereto on March 6, 1996.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on April 1, 1996, and should be accompanied by proof of service on the applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street, NW., Washington, DC 20549. Applicant, One Post Office Square, Boston, Massachusetts 02109.

FOR FURTHER INFORMATION CONTACT:

Diane L. Titus, Paralegal Specialist, at (202) 942-0584, or Robert A. Robertson, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch.

Applicant's Representation

1. Applicant is a closed-end management investment company organized as a corporation under the laws of Maryland. On October 17, 1990, applicant filed a notification of registration on Form N-8A pursuant to section 8(a) of the Act. Applicant never filed a registration statement under the Securities Act of 1933 nor did it make a public offering of its securities.

2. Applicant was established in 1990, with the objective to provide holders of its common stock with high current income, consistent with preservation of capital. The private placement memorandum, pursuant to which the shares of common stock of applicant were sold, contained a statement that applicant's board of directors would consider during the fifth year after commencement of operations whether to make a tender offer for applicant's shares.

3. At a board meeting held on July 28, 1995, the board determined that making a tender offer would not be advisable. Given the relatively small size of applicant (approximately \$40.6 million as of June 30, 1995), if a significant amount of assets were withdrawn by a few large shareholders through a tender offer, expense ratios would increase and applicant might become too small to efficiently manage for remaining stockholders.

4. In August and September of 1995, officers of applicant and Putnam Investment Management, Inc., applicant's investment adviser, had several discussions with employees of Nomura Securities International, Inc. ("Nomura"), the original placement agent for applicant's common stock, concerning the desire of several large stockholders in applicant to liquidate their holdings. As there is no liquid market for the shares and as the board believes a tender offer raises significant issues as to fairness to non-tendering holders, the discussions focused on the possibility of liquidating applicant. Subsequently, Nomura delivered a letter to the directors stating that the holders of 37 of 45.01 outstanding shares had indicated to Nomura that they would be in favor of a liquidation of applicant.

5. Accordingly, at the October 27, 1995 meeting of the board, the directors determined, in light of these developments, that it would be advisable and in the best interests of applicant's stockholders to liquidate and dissolve applicant under the laws of the State of Maryland. To implement the liquidation, the board approved a plan of complete liquidation of applicant (the "Plan"). The Plan provided for the sale of all of the assets of applicant and the distribution in cash of the net proceeds from such sale to the stockholders in accordance with their respective rights. The Plan also provided for a portion of the proceeds from the sale of applicant's assets to be retained to satisfy any liabilities applicant may incur.

6. A special meeting of applicant's stockholders was held on December 5, 1995 at which 99.796% of the shares present either in person or by proxy voted to approve the Plan. Pursuant to the Plan, on December 27, 1995, \$41,647,032.92, representing 99.7% of the assets of applicant, was distributed to the stockholders of applicant (the "First Distribution"). As of the time of the filing of the amended application, applicant has retained assets of \$170,000, \$50,000 of which represented the amount being reserved to pay for the remaining expenses involved in the dissolution and liquidation of applicant and \$120,000 of which represented dividends on portfolio holdings received after the First Distribution. Applicant anticipates that a second distribution of its assets (the "Second Distribution") consisting of the assets, if any, remaining after the payment of the expenses would be done as soon as practicable, but in no instance any later than 60 days after the granting of the order requested by this amended application. The Second Distribution would be made on a pro rata basis, with each stockholder receiving its proportionate share of the remaining assets.

7. Applicant intends to file Articles of Dissolution and Public Notice of Dissolution in accordance with Maryland law as soon as practicable following its deregistration. Additionally, applicant intends to file for the withdrawal of its status as a foreign corporation in Massachusetts.

8. As of the filing of the application, applicant had no security holders. Applicant is not a party to any litigation or administrative proceeding. Applicant is not presently engaged, nor does it propose to engage in, any business activities other than those necessary to wind up its affairs.

For the SEC, by the Division of Investment Management, under delegated authority.
Margaret H. McFarland,
Deputy Secretary.
[FR Doc. 96-5842 Filed 3-11-96; 8:45 am]
BILLING CODE 8010-01-M

[Rel. No. IC-21811; File No. 812-9864]

The Northwestern Mutual Life Insurance Company

March 6, 1996.

AGENCY: Securities and Exchange Commission ("Commission").

ACTION: Notice of application for exemption under the Investment Company Act of 1940 (the "1940 Act").

APPLICANT: The Northwestern Mutual Life Insurance Company ("NML").

RELEVANT 1940 ACT SECTIONS AND RULES: Order requested under Section 6(c) for exemptions from Section 9(a).

SUMMARY OF THE APPLICATION: Applicant seeks an order exempting itself and its affiliates, in their capacities as investment advisers, principal underwriters and depositors, from the disqualification provisions of Section 9(a) with respect to NML's separate accounts organized as unit investment trusts ("UITs") that derive assets from the sale of variable annuity contracts. The exemptions, subject to certain conditions, would apply to NML's (and its affiliates') officers, directors and employees who do not participate directly in the management or administration of the separate accounts or their underlying management investment companies, or in the sale of their variable annuity contracts.

FILING DATES: The application was filed on November 29, 1995.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing the Commission's Secretary and serving Applicant with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on April 1, 1996, and should be accompanied by proof of service on Applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

Applicant, The Northwestern Mutual Life Insurance Company, 720 East Wisconsin Avenue, Milwaukee, Wisconsin 53202, Attention John M. Bremer, Senior Vice President, Secretary and General Counsel.

FOR FURTHER INFORMATION CONTACT:

Joseph G. Mari, Senior Special Counsel, or Wendy Friedlander, Deputy Chief, at (202) 942-0670, Office of Insurance Products, Division of Investment Management.

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the Commission's Public Reference Branch.

Applicant's Representations

1. NML is a Wisconsin life insurance company that is authorized to sell life insurance and annuities in all 50 states and the District of Columbia. NML is a co-depositor of NML Variable Annuity Account B, its separate account that funds variable annuity contracts (the "Separate Account").

2. The Separate Account is organized as a UIT and is registered under the Securities Act of 1933 and the 1940 Act. The Separate Account funds benefits under individual variable annuity contracts. The assets of the Separate Account are invested exclusively in shares of Northwestern Mutual Series Fund, Inc., a registered open-end management investment company (the "Fund").

3. Northwestern Mutual Investment Services, Inc. ("NMIS"), an indirect wholly-owned subsidiary of NML, is the principal underwriter of the Separate Account. NMIS is registered as a broker-dealer under the Securities Exchange Act of 1934 (the "1934 Act") and as an investment adviser under the Investment Advisers Act of 1940.

Applicant's Legal Analysis

1. Section 9(a) automatically disqualifies a company from serving as an investment adviser, depositor or principal underwriter to a registered investment company if the company or an affiliate has an employee, officer or director who has been convicted of a securities-related offense or enjoined by a court from serving in a securities-related position.

2. Rules 6e-2 and 6e-3(T) under the 1940 Act provide certain exemptions from the automatic disqualification provisions of Section 9(a). Rules 6e-2 and 6e-3(T) restrict the applicability of Section 9(a) to persons who participate directly in the management or administration of the separate account and the underlying fund, or in the sale

of the variable life contracts funded by the separate account.

3. There is no rule affording similar relief regarding insurance company separate accounts funding variable annuity contracts, such as the Separate Account.

4. NML has approximately 2,931 non-officer employees and 4,852 insurance agents who are registered representatives of NMIS, in addition to its officer and directors. Section 9(a) applies to NML, as depositor and principal underwriter of the Separate Account, and to its affiliates, as investment advisers and principal underwriters, of registered investment companies.

5. Section 9(a) would automatically disqualify NML and its affiliates from serving as depositor, principal underwriter or investment adviser if any one of their employees became disqualified under Section 9(a), even if the employee worked in one of NML's businesses not regulated under the 1940 Act and did not participate in the management or administration of the Separate Account or the Fund, or in the sale of the variable annuity contracts.

6. NML seeks an order limiting the automatic disqualification provisions of Section 9(a) with respect to the Separate Account to the same extent available under Rules 6e-2 and 6e-3(T) to separate accounts funding variable life insurance contracts. NML asserts that the intended focus of Section 9(a) is on the operation of investment companies and not on ancillary businesses unrelated to investment company operations and management. NML states that its requested relief is consistent with the purpose of Section 9(a).

7. Currently, whenever any officer, trustee or employee of NML becomes subject to the automatic disqualification provisions of Section 9(a), NML must apply for a Commission order pursuant to Section 9(c) of the 1940 Act to exempt the person and NML from those disqualification provisions. The requirements to submit such applications could place an undue burden on both NML and the Commission without any public benefit if the individual does not participate in the management or administration of the Separate Account, the Fund or NMIS.

8. Additionally, NML currently maintains, and will continue to maintain, monitoring procedures to identify any insurance agent, or officer, director, or employee who does not function as an insurance agent or registered representative, subject to statutory disqualification.

Conditions for Relief

NML agrees that if the requested exemption are granted, NML will maintain a list of its officers, directors and employees who participate directly in the management or administration of any variable annuity separate account of NML and any registered investment company underlying NML's variable annuity separate accounts. NML also will maintain a list of its agents who, as registered representatives of NMIS, offer and sell variable annuity contracts. These lists will be maintained at NML's home office and will be available to the staff of the Commission. The individuals named on the lists will continue to be subject to the automatic disqualification provisions of Section 9(a).

Applicant submits, for the reasons stated herein, that the requested exemptions from Section 9(a) of the 1940 Act meet the standards set out in Section 6(c) of the 1940 Act. Applicant asserts that the exemptions requested are necessary and appropriate in the public interest and consistent with the protection of investors and the policies and provisions of the 1940 Act.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-5841 Filed 3-11-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36920; International Series Release No. 945; File No. SR-CBOE-96-09]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 to Proposed Rule Change by the Chicago Board Options Exchange, Inc. Relating to the Listing and Trading of Options on the Mexican Indice de Precios y Cotizaciones

March 5, 1996.

Pursuant to Section 19(b)(1) of the Securities and Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on February 27, 1996, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The CBOE proposes to provide for the listing and trading on the Exchange of options on the Indice de Precios y Cotizaciones ("IPC" or "Index"), a cash-settled, broad-based index designed to represent the overall Mexican equity market. The IPC was created, and is maintained, by the Mexican Stock Exchange ("Bolsa") and is widely recognized as the benchmark index for Mexico.

The text of the proposed rule change is available at the Office of the Secretary, CBOE and at the Commission.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the CBOE included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The CBOE has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to permit the Exchange to list and trade cash-settled, European-style stock index options on the IPC, a broad-based, capitalization-weighted index comprised of 35 of the largest and most active stocks listed on the Bolsa. The Exchange believes that options on the Index will provide investors with a low-cost means of participating in the performance of the Mexican economy and hedging against the risk of investing in that economy.

Index Design

The Index was designed by and is maintained by the Bolsa. These stocks were selected for inclusion in the IPC based upon a combination of criteria relating to their trading volume and market capitalization. The Bolsa reviews a component's compliance with these criteria every two months. There are three criteria which could keep a potential replacement component stock from being added to the Index. First, suspended issues or those which have a material possibility of being suspended will not be included in the Index.

Second, in the case of companies with multiple classes of stock, no additional class of the same company will be included in the Index if the total of the various classes is greater than 15% of the weight of the Index. For example, Telefonos de Mexico Class L ("TELMEX L") represents approximately 21% of the Index, therefore TELMEX Class A shares are not eligible for inclusion in the Index. Third, if a company is a subsidiary of another company that is in the Index and it represents more than 75% of the assets of the holding company it will not be included.

The IPC is composed of stocks from eighteen (18) industry groups including: Telecommunications, Diversified Holding Companies, Banks, Broadcasting, Building Materials, Mining, and Financial Services. The median capitalization of the firms in the Index on February 2, 1996, was 6.581 billion Pesos (\$889.38 million at the exchange rate of 7.4 pesos per dollar prevailing on February 2, 1996). The average market capitalization of these firms was \$1.553 billion on the same date and using the same rate of exchange. The individual market capitalization of these firms ranged from \$11.956 billion to \$36.29 million on February 2, 1996. The largest stock accounted for 21.99% of the Index, while the smallest accounted for 0.07%. The top five stocks in the Index by weight accounted for 49.71% of the Index.

Calculation

The Index is capitalization weighted and its value is determined by multiplying the price of each stock times the number of shares outstanding, adding those sums and then dividing by a divisor which gave the Index a value of 0.78 on its base date of October 30, 1978. The Index had a closing value of 2862.59 on February 28, 1996. This divisor is adjusted for pertinent changes as described below in the section titled "Maintenance."

Maintenance

The Index will be maintained by the Bolsa. To maintain continuity of the Index, the divisor of the Index will be adjusted to reflect certain events relating to the component stocks. These events include, but are not limited to, ordinary cash dividends, changes in the number of shares outstanding, spin-offs, certain rights issuances, and mergers and acquisitions. When components are substituted, the Bolsa makes every effort to notify the public in advance of the upcoming changes. If it becomes necessary to replace a component between reviews, the Bolsa maintains a

list of stocks for substitution. The Bolsa will publicly communicate these changes (e.g., news release) with as much notice as possible. The main selection criteria utilized by the Bolsa are trading volume and market capitalization. Although the IPC is presently comprised of 35 stocks, there have been as many as 50 components and the Bolsa is not precluded from increasing (or decreasing) this number.

Index Option Trading

The Exchange proposes to base trading in options on the Index on one-tenth of the value of the Index as expressed in U.S. dollars; these are known as full-value options. The Exchange also may provide for the listing of full-value long-term index option series ("LEAPS®") and reduced-value LEAPS on the Index. For reduced-value LEAPS, the underlying value would be computed at one-tenth of the value of the full-value options. The current and closing index value of any such reduced-value LEAP will, after such initial computation, be rounded to the nearest one-hundredth. The Exchange will list expiration months for IPC Index options and Index LEAPS in accordance with CBOE Rule 24.9.

The trading hours on the Mexican Stock Exchange are the same as those on the New York Stock Exchange—8:30 a.m. to 3:00 p.m. Chicago time. The trading hours for options on the Index will be from 8:30 a.m. to 3:15 p.m. Chicago time.¹ The Bolsa calculates the value of the IPC based upon the prices of the component securities as traded or quoted on the Bolsa and disseminates this value to vendors of financial information. CBOE or its designee will disseminate the reduced IPC value (i.e., 1/10th of IPC value) through the Options Price Reporting Authority ("OPRA") every 15 seconds throughout the trading day.

Exercise and Settlement

The proposed options on the index will be p.m.-settled and expire on the Saturday following the third Friday of the expiration month. Thus, trading in the expiring contract month will normally cease on Friday at 3:15 p.m. (Chicago time) unless a holiday occurs. The exercise settlement value of Index options at expiration will be based upon the closing prices of component stocks on the regular Friday trading sessions in Mexico, ordinarily at 3:00 p.m. Mexico time. If a stock does not trade during

this period or if it fails to open for trading, the last available price of the stock will be used in the calculation of the Index. When expirations are moved in accordance with Exchange holidays, such as when the CBOE is closed on the Friday before expiration, the last trading day for expiring options will be Thursday and the exercise settlement value of Index options will be Thursday and the exercise settlement value of Index options at expiration will be determined at the close of the regular Thursday trading sessions in Mexico even if the Mexican markets are open on Friday. If the Mexican markets will be closed on the Friday before expiration but the CBOE will not, the last trading day for expiring options will be Thursday.

Surveillance Agreements

The Exchange expects to apply its existing index option surveillance procedures to Index options. In addition, the Exchange is aware of a Memorandum of Understanding ("MOU") between the Commission and the Comisión Nacional Bancaria y de Valores. This MOU will enable the Commission to obtain information concerning the trading of the component stocks of the IPC. The Exchange also will make every effort to enter into an effective surveillance agreement with the Bolsa.

Position Limits

The Exchange is proposing to establish position limits for the Index options equal to 50,000 contracts on the same side of the market, with no more than 30,000 contracts in the series with the nearest expiration date. These limits are roughly equivalent, in dollar terms, to the limits applicable to options on other indices. Ten reduced-value options will equal one full-value contract for such purposes. Furthermore, the hedge exemption rule applicable to broad-based index options, commentary .01 to CBOE Rule 24.4, will apply to Mexico 30 Index options.²

Exchange Rules Applicable

Except as modified herein, the Rules in Chapter XXIV will be applicable to IPC options. CBOE has the necessary systems capacity to support new series that would result from the introduction of IPC options. CBOE has also been informed that the Options Price Reporting Authority ("OPRA") has the capacity to support such new series.³

2. Statutory Basis

CBOE believes the proposed rule change is consistent with Section 6(b) of the Act in general and furthers the objectives of Section 6(b)(5) in particular in that it will permit trading in options based on the IPC pursuant to rules designed to prevent fraudulent and manipulative acts and practices and to promote just and equitable principles of trade, and thereby will provide investors with the ability to invest in options based on an additional index.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange believes the proposed rule change will impose no burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

The Exchange has neither solicited nor received written comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve the proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street, NW.,

¹ IPC Index options will continue to trade for 15 minutes after the Bolsa closes. This is consistent with trading times for other index options and also gives market participants the opportunity to adjust their positions after the Bolsa closes.

² Telephone conversation between Eileen Smith, CBOE, and Steven Youhn, SEC, on February 28, 1996.

³ See Letter from Joe Corrigan, OPRA, to Eileen Smith, CBOE, dated February 21, 1996.

Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the CBOE. All submissions should refer to File No. SR-CBOE-96-09 and should be submitted by April 2, 1996.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁴

[FR Doc. 96-5785 Filed 3-11-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36933; File No. SR-GSCC-96-01]

**Self-Regulatory Organizations;
Government Securities Clearing
Corporation; Notice of Filing of a
Proposed Rule Change Relating to the
Enhancement of Risk Management
Processes**

March 6, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on January 5, 1996, Government Securities Clearing Corporation ("GSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change (File No. SR-GSCC-96-01) as described in Items I, II, and III below, which items have been prepared primarily by GSCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

**I. Self-Regulatory Organization's
Statement of the Terms of Substance of
the Proposed Rule Change**

The purpose of the proposed rule change is to modify GSCC's risk management processes.

**II. Self-Regulatory Organization's
Statement of the Purpose of, and
Statutory Basis for, the Proposed Rule
Change**

In its filing with the Commission, GSCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. GSCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.²

**(A) Self-Regulatory Organization's
Statement of the Purpose of, and
Statutory Basis for, the Proposed Rule
Change**

As a part of GSCC's continuous process of reviewing its risk management mechanism, GSCC is seeking approval to make various enhancements and revisions to that mechanism. The impetus for certain of the enhancements and revisions arose out of the design of the risk management process for GSCC's newly implemented netting service for repurchase agreements ("repos") and as the result of recommendations made by Commission staff during their inspection of GSCC last year. Each of the proposed changes to GSCC's risk management process is described in detail below.

**(1) Change in the Clearing Fund
Formula: Funds Adjustment Component**

A netting member's clearing fund requirement is based on a formula designed to take into account the two basic risks posed to GSCC by netting members. These risks are: (1) that a member might not pay a funds-only settlement amount due to GSCC and (2) that a member might not deliver or take delivery of securities that comprise a net settlement position. There are three components to the clearing fund deposit requirement: (1) the funds adjustment component, (2) the receive/delivery settlement component, and (3) the repo volatility component. The sum of the three components is a member's total clearing fund deposit requirement.

The first component of the clearing fund is the funds adjustment component, which addresses the potential risk that a member might not pay a funds-only settlement amount due to GSCC. Historically, this component has represented about ten percent of the total clearing fund requirement. The funds adjustment component is 125% of the average of a member's ten largest funds-only settlement amounts measured on an absolute basis during the most recent seventy-five business days.

Because GSCC did not have an historical data base, the use of the additional twenty-five percent cushion was introduced at the start of the netting system in 1989 as a conservative measure designed to ensure that GSCC's original margin process was a prudent one. GSCC now believes that this cushion is no longer necessary because the funds adjustment component recently was made more conservative with revisions to take into account the ten largest funds amounts over the most

recent seventy-five business days.³ However, under the proposed rule change GSCC will retain the right to reinstitute at its discretion all or a part of this cushion for a temporary period. For example, GSCC might reinstitute this cushion under volatile market conditions.

Moreover, GSCC believes that the use of an average of the ten largest amounts leads to an overly conservative measure of funds settlement exposure. Thus, GSCC proposes to revise the funds adjustment component to require 100% of the average of the twenty largest funds-only settlement amounts during the most recent seventy-five business days.⁴

**(2) Change in the Clearing Fund
Formula: Receive/Deliver Settlement
Component**

The second component of the clearing fund requirement is the receive/deliver settlement component, which is based on the size and nature of a member's net settlement positions. The margin collected on net settlement positions is determined by applying margin factors that are designed to estimate daily security price movements. The factors are expressed as percentages and are determined by historical daily price volatility.⁵ The product of a security's settlement value and its corresponding margin factors is used as proxy for the estimated amount of loss to which GSCC is potentially exposed from price changes.

There are four potential receive/deliver contribution amounts computed each day for GSCC netting members other than Category 2 dealer or Category 2 future commission merchant members.⁶ The four amounts are compared daily and the largest amount is included in a member's clearing fund

³ Prior to the implementation of GSCC's netting service for repos, GSCC's rules required computation of the average of a member's absolute funds amounts over the prior twenty business days. Securities Exchange Act Release No. 36491 (November 17, 1995), 60 FR 61577 (order approving proposed rule change).

⁴ This change will be made to both paragraphs (b) and (d) of Rule 4, Section 2 of GSCC's rules. Paragraph (b) applies to bank netting members, Category 1 dealer netting members, Category 1 futures commission merchant netting members, Category 2 inter-dealer broker netting members, government securities issuer netting members, insurance company netting members, and registered investment company netting members. Paragraph (d) applies to Category 2 dealer netting members and Category 2 futures commission merchant netting members.

⁵ See Section 4 below for a discussion of GSCC's margin factors.

⁶ GSCC's method of calculating the receive/deliver settlement component for Category 2 dealer and Category 2 futures commission merchant members is set forth below.

⁴ 17 CFR 200.30-3(a)(12) (1994).

¹ 15 U.S.C. 78s(b)(1) (1988).

² The Commission has modified the text of the summaries prepared by GSCC.

requirement. The potential contribution amounts are:

(i) *Post-Offset Margin Amount ("POMA")*: The POMA reflects offsets of gains against losses in liquidating a member's positions that may be expected based on historical experience. The POMA essentially is a member's total gross margin (*i.e.*, GSCC's margin factors multiplied by the dollar value of a member's current outstanding net settlement position) taking into account allowable offset percentages.⁷

(ii) *Average POMA*: The average POMA is based, in the ordinary course, on the member's ten highest POMA amounts occurring in the most recent seventy-five business days, including the current day's POMA amount.

(iii) *Adjusted POMA*: The adjusted POMA is calculated the same as the POMA with the exception of excluding all trades that are scheduled to settle on the current day. This is done based on the assumption that those trades will settle on the current day; thus, calculating POMA in this manner will more accurately reflect GSCC's settlement exposure during the current day.

(iv) *Liquidation Amount*: This is a floor amount equalling fifty percent of the total gross margin on all long and short positions without offsets.

The liquidation amount is a conservative measure designed to ensure that if the margin offsets ordinarily allowed in calculating the receive/deliver component do not reflect actual market conditions during a liquidation period, GSCC will still have a sufficient level of collateral protection. In other words, this minimum requirement protects against the risk that during a liquidation period the yield curve will be aberrational. In such a situation, collection of a minimum amount of margin based on a gross calculation ensures that GSCC will have sufficient collateral to cover liquidation losses.

GSCC believes that the percentage used to compute the liquidation amount should be lowered from fifty percent to twenty-five percent. The imposition of a fifty percent floor (*i.e.*, fifty percent of the total margin on all long and short positions without offsets) has proven to be an unduly high minimum. In particular, for a member that engages in trading activity on a fully-hedged basis, a fifty percent floor effectively negates the benefits afforded by being fully hedged. GSCC believes that a twenty-

five percent floor amount is sufficient to protect GSCC from the risk that its margin offsets will not reflect actual market conditions during a liquidation period.

Moreover, GSCC believes that the use of an average of the ten largest POMA amounts in calculating the average POMA leads to an overly conservative measure of securities settlement exposure. Thus, GSCC proposes to use an average of the twenty largest POMA amounts during the most recent seventy-five business days.

GSCC also is proposing to delete sections (2)(g)(i) and (2)(g)(ii) of Rule 4 regarding alternative formulas for the receive/deliver settlement component of the required clearing fund deposit. GSCC has not found the alternative calculation under subsection (g)(i), which disregards when-issued trades that have been issued, to be useful and subsection (g)(ii) has been made obsolete by the changes approved in GSCC's filing pertaining to its repo netting service.⁸

With respect to Category 2 dealer or Category 2 futures commission merchant members, the receive/deliver settlement component is the larger of (1) the member's total gross margin without offsets, (2) the member's total gross margin without offsets and excluding positions due to settle that day, or (3) the average of the member's largest ten gross margin amounts over the most recent seventy-five business days. For the third calculation, GSCC proposes to use the average of the largest twenty gross margin amounts over the most recent seventy-five business days.

(3) Change in the Clearing Fund Formula: Repo Volatility Component

The third component of the clearing fund requirement is the repo volatility component. This component was recently added to GSCC's clearing fund formula to cover securities' settlement exposure posed by repo activity. The repo volatility component is the greater of (1) the product of the repo volatility factor and the market value of the member's repo transactions taking into account allowable offset percentages ("repo offset amount") or (2) the average of a member's ten highest repo offset amounts over the most recent seventy-five business days. GSCC proposes to revise the second element of this calculation to take the average of a member's twenty highest repo offset amounts over the most recent seventy-five business days.

(4) Providing GSCC With Discretion, within Parameters, to Lower Margin Factors

GSCC's Membership and Standards Committee ("Committee") reviews on an ongoing basis the appropriateness of its margin factors⁹ by examining third-party price volatility data and GSCC's own short-term and long-term data covering ninety-five and ninety-nine percent of all price movements. However, GSCC is not allowed under its current rules to lower any of its margin factors without first obtaining Commission approval through a formal rule filing process.

GSCC believes that it needs flexibility to lower a margin factor without first completing the formal rule filing process. Thus, GSCC proposes to revise its rules to permit the Committee to lower a margin factor subject to a predefined limitation if the Committee determines it appropriate based on its review of historical price volatility data and if the GSCC Board of Directors approves such a lower margin factor. The predefined limitation would provide that GSCC could reduce a margin factor to a level that is no lower than the higher of (1) the price volatility for that remaining maturity category taking into account ninety-five percent of all movements covering the last calendar quarter or (2) the price volatility for that remaining maturity category taking into account ninety-five percent of all movements covering the last calendar year. With respect to the margin factors for Category 2 dealer members and futures commission merchant members, the limitation would provide that GSCC could reduce a margin factor to a level that is no lower than the higher of (1) the price volatility for that remaining maturity category taking into account ninety-nine percent of all movements covering the last calendar quarter or (2) the price volatility for that remaining maturity category taking into account ninety-nine percent of all movements covering the last calendar year.

(5) Revision of Certain Margin Factors for Zero-Coupon Government Securities Other Than Treasury Bills ("Zeros")

As noted above, GSCC's margin factors are based on an assessment of historical daily price volatility data. GSCC reviews the accuracy of those

⁷ Margin amounts on receive (long) and deliver (short) positions are allowed to offset each other. The extent to which an offset is allowed is determined by product and the degree of similarity in time remaining to maturity.

⁸ *Supra* note 3.

⁹ As defined in GSCC's rules, margin factors and Category 2 margin factors are percentages, which GSCC publishes from time to time, representing variations weighted by maturity and product type. These margin factors are used in GSCC Rule 4, Section 2 to calculate the receive/deliver settlement component of the required fund deposit for GSCC's members.

margin factors by consideration of third-party price volatility data and its own short-term and long-term data covering ninety-five and ninety-nine percent of all price movements. Zeros require different margin factors than other Treasury securities because zeros generally are subject to greater price volatility than are other Treasury securities with the same maturity.

The applicable margin percentages for zeros range from percentages that are the same as those for other Treasury securities with respect to shorter-term maturities to two-and-a-half times that applicable to other Treasury securities with respect to longer-term maturities. These differences initially were based on the differences in the amount of haircut factors between zeros and other Treasury securities found in the United States Treasury Department's liquid capital requirements for government securities brokers and dealers.

GSCC believes that its current applicable margin factors for zeros in the three longest remaining maturity classes are too high.¹⁰ The current margin factor for zeros with a remaining maturity of seven to ten years is 1.870 percent, which is well above the price volatility that GSCC's internal data show for that category under any measure. Measured against GSCC's data at the ninety-nine percent level over the past two years, the applicable margin factor is roughly thirty-three basis points higher. Thus, GSCC proposes to lower the applicable margin factor for the seven to ten years remaining maturity category to 1.50 percent.

The margin factor for zeros with a remaining maturity of ten to fifteen years is 2.813 percent, which is well above the price volatility that GSCC's internal data show for that category under any measure. Measured against GSCC's data at the ninety-nine percent level over the past two years, the applicable margin factor is almost a point higher. Thus, GSCC proposes to lower the applicable margin factor for the ten to fifteen years remaining maturity category to 1.813 percent.

The margin factor of 3.625 percent for zeros with a remaining maturity of fifteen years or greater, the longest maturity category, also appears to be too high when compared to the price volatility that GSCC's internal data show for that category. Again, measured against GSCC's data at the ninety-nine percent level over the past two years, the applicable margin factor is eighty-

nine basis points higher. Thus, GSCC proposes to lower the applicable margin factor for the fifteen years and higher remaining maturity category to 2.625 percent.

(6) Introduction of a Tiered Surveillance Status Mechanism

GSCC proposes to place members that pose a heightened level of potential risk to GSCC on various levels of surveillance status in order to facilitate GSCC's ability to protect itself and its members. At the conclusion of their recent inspection of GSCC, Commission staff suggested that, in line with what many other clearing agencies have in place, GSCC establish different classes of surveillance for its members. GSCC believes this suggestion to be an appropriate one because it believes that expanding surveillance classes will enable it to appropriately categorize the degree of risk posed by a member and to react more swiftly to changes in a member's condition. Members will also have greater understanding of the specific actions GSCC may take.

GSCC's current rules require that a member be placed on surveillance status if one or more of a number of circumstances is present, including but not limited to a significant reorganization or change in control or management of the member. In addition, GSCC may place a member on surveillance status if one or more of a number of factors, such as a member experiencing a condition that could materially affect its financial or operational capability so as to potentially increase GSCC's exposure to loss or liability, is present.

GSCC proposes to use three surveillance categories. Under the proposed rule change, a member will be placed on Class 1 surveillance status if one or more of a number of factors pertaining to its financial condition is present, if it has been placed on surveillance status by another self-regulatory organization, or if it has been upgraded from Class 2 surveillance status within the past three calendar months. The financial condition factors that will result in Class 1 surveillance status include, but are not limited to (1) a member incurring recent significant net losses, (2) a member's required fund deposit obligation representing a significant portion of its net worth or net capital, and (3) a member experiencing any condition that could materially affect its financial or operational capacity. Class 1 surveillance status will result in GSCC more thoroughly monitoring a member's financial condition and activities and will provide GSCC with discretion to

require a member to make more frequent financial disclosures, including interim and/or pro forma reports.

GSCC will place a netting member on proposed Class 2 surveillance status if one or more of a number of factors is present, including but not limited to (1) any element of a member's capital position falls below the minimum requirements, (2) a member has been upgraded from Class 3 surveillance status within the last three calendar months, (3) a member temporarily experiences an inability to meet its securities settlement obligations to GSCC in a timely fashion, and (4) a member's designated examining authority or appropriate regulatory agency has a pending action or investigation of the member that could call into question the member's ability to meet its obligations to GSCC. In addition to the consequences resulting from placement on Class 1 surveillance status, a member placed on Class 2 surveillance status will be required to maintain a required fund deposit in excess of the amount ordinarily required, as permitted under GSCC's rules.

A GSCC netting member will be placed on Class 3 surveillance status if GSCC is considering taking action under GSCC Rule 18 (Ceasing to Act for a Member) or GSCC Rule 20 (Insolvency of a Member).¹¹ A GSCC netting member on Class 3 surveillance status shall be placed on a final notification list. A netting member will remain on such final notification list until the condition(s) that resulted in its assignment to Class 3 surveillance status have improved to an extent that GSCC deems appropriate to support reassignment of the member to Class 2 surveillance status.

(7) Simplification of the Clearing Fund Deficiency Call Mechanism

GSCC's rules currently permit GSCC to make clearing fund deficiency calls on a same day basis under the following four circumstances: (1) a member's current day's required clearing fund deposit exceeds by twenty-five percent the value of its clearing fund collateral,

¹¹ Under Rule 18 (Ceasing to Act for a Member), GSCC may cease to act for a member upon notice to such member for such reasons as: (1) the member has failed to perform its obligations to GSCC or materially violated any GSCC rule, procedure, or agreement, (2) the member has failed to pay GSCC any payment required, (3) the member no longer meets its admissions or continuance standards, or (4) the member has been responsible for fraudulent or dishonest conduct. Under Rule 20 (Insolvency of a Member), GSCC will cease to act for a member if such member meets one of several tests of insolvency (e.g., such member files a petition seeking relief under the Bankruptcy Code).

¹⁰ GSCC's margin factor schedule for zeros is contained in Exhibit B to GSCC's filing. A copy of the filing and all exhibits is available for copying and inspection in the Commission's Public Reference Room.

(2) a member's current day's required clearing fund deposit level exceeds by more than \$250,000 the value of its clearing fund collateral, (3) a member is on surveillance status and its required clearing fund deposit as of the current day exceeds the value of its clearing fund collateral, or (4) a member's "clearing fund funds-only settlement amount," which excludes clearance difference, invoice amount, and other miscellaneous amounts, for the current day exceeds by more than twenty-five percent its average daily clearing fund funds-only settlement amount over the most recent twenty business days.¹²

Over the years, the fourth circumstance, a twenty-five percent jump in the member's clearing fund funds-only settlement amount, which could represent a relatively small dollar amount, has not proven to be necessary and has become obsolete as a practical matter. At the conclusion of their recent inspection of GSCC, Commission staff suggested that GSCC should either monitor the funds-only deficiency call requirements or file with the Commission a proposed rule change eliminating it. GSCC believes that the funds-only deficiency call aspect of the clearing fund is unnecessary and should be eliminated.

Moreover, because GSCC is proposing the tiered surveillance status mechanism, GSCC believes that a clearing fund deficiency call, pursuant to which GSCC calls for any amount of deficiency, that is based on a member being on surveillance status should be invoked only if a member is on Class 2 or Class 3 surveillance status. Finally, since 1989 when the netting system was implemented, GSCC's rules have provided that GSCC automatically may make a clearing fund deficiency call at the beginning of each month. Given the adequacy of the same day deficiency call mechanism outlined above, GSCC believes that this monthly deficiency call mechanism is no longer appropriate and is therefore proposing to delete this provision.

(8) Elimination of the Noon Deadline for Satisfaction of Clearing Fund Deficiency Calls

GSCC issues by telephone call followed by telefax notices calls for additional clearing fund deposits by 9:00 a.m. The exact time that each telephone call is made is recorded. Under GSCC's current rules, a member has until the later of two hours after the

receipt of a clearing fund deficiency call or noon to satisfy the call.

Receipt of clearing fund margin as early in the day as possible is a fundamental principle behind optimal risk management. GSCC's long term goal is to develop an automated mechanism pursuant to which it will be in receipt of clearing fund collateral by the time that the securities Fedwire opens in the morning, which is currently at 8:30 a.m.

As an interim step toward achieving this goal, GSCC is proposing to eliminate the 12:00 p.m. alternative deadline for satisfaction of a clearing fund deficiency call and to require a member to satisfy a deficiency call within two hours after it is received. The practical effect of this change is that, in the ordinary course, a member will have to satisfy a deficiency call by approximately 11:00 a.m. In order to ensure that the elimination of the noon deadline does not produce an unduly harsh effect on members, GSCC also is proposing that a clearing fund deficiency call does not need to be satisfied before 10:00 a.m. regardless of when the call actually is made.

GSCC believes the proposed rule change will enhance GSCC's risk management processes in a prudent manner that is consistent with minimizing operational burdens on GSCC netting members and with maximizing the members' liquidity. Thus, GSCC believes the proposed rule change is consistent with the Section 17A of the Act and the rules and regulations thereunder applicable to a self-regulatory organization.¹³

(B) Self-Regulatory Organization's Statement on Burden on Competition

GSCC does not believe that the proposed rule will have an impact on or impose a burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Comments on the proposed rule change have not yet been solicited. GSCC members will be notified of the rule filing and comments will be solicited by an important notice. GSCC will notify the Commission of any written comments received by GSCC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within thirty-five days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to

ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(a) by order approve such proposed rule change or

(b) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of GSCC. All submissions should refer to the file number SR-GSCC-96-01 and should be submitted by April 2, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹⁴

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-5845 Filed 3-11-96; 8:45 am]

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[Release No. 34-36932; File No. SR-NASD-96-7]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by National Association of Securities Dealers, Inc. Relating To Small Order Execution System Tier Size Classifications

March 6, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ Notice is hereby given that on March 1, 1996, the National Association

¹² The clearance difference is the dollar difference between GSCC's system price for a settlement obligation and the actual value at which the settlement obligation was settled. The invoice amount means all fees that a member owes GSCC.

¹³ 15 U.S.C. 78q-1 (1988).

¹⁴ 17 CFR 200.30-3(a)(12) (1995).

¹⁵ 15 U.S.C. 78s(b)(1) (1988).

of Securities Dealers, Inc. ("NASD" or "Association") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the NASD. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Substance of the Proposed Rule Change

The NASD is submitting this filing to effectuate The Nasdaq Stock Market, Inc.'s ("Nasdaq") periodic reclassification of Nasdaq National Market ("NNM") securities into appropriate tier sizes for purposes of determining the maximum size order for a particular security eligible for execution through Nasdaq's Small Order Execution System ("SOES") and the minimum quote size requirements for Nasdaq market makers in NNM securities. Specifically, under the proposal, 1,024 NNM securities will be reclassified into a different SOES tier size effective April 1, 1996. Since the NASD's proposal is an interpretation of existing NASD rules, there are no language changes.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the NASD included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The NASD has prepared summaries, set forth in Sections (A), (B), and (C) below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of the rule change is to effectuate Nasdaq's periodic reclassification of NNM securities into appropriate tier sizes for purposes of determining the maximum size order for a particular security eligible for execution through SOES and the minimum quote size requirements for Nasdaq market makers in NNM securities. Nasdaq periodically reviews the SOES tier size applicable to each NNM security to determine if the trading characteristics of the issue have changed do as to warrant a tier size

adjustment. Such a review was conducted using data as of December 31, 1995, pursuant to the following established criteria:²

- NNM securities with an average daily non-block volume of 3,000 shares or more a day, a bid price less than or equal to \$100, and three or more market makers are subject to a minimum quotation size requirement of 1,000 shares and a maximum SOES order size of 1,000 shares;
- NNM securities with an average daily non-block volume of 1,000 shares or more a day, a bid price less than or equal to \$150, and two or more market makers are subject to a minimum quotation size requirement of 500 shares and a maximum SOES order size of 500 shares; and
- NNM securities with an average daily non-block volume of less than 1,000 shares a day, a bid price less than or equal to \$250, and less than two market makers are subject to a minimum quotation size requirement of 200 shares and a maximum SOES order size of 200 shares.

Pursuant to the application of this classification criteria, 1,024 NNM securities will be reclassified effective April 1, 1996. These 1,024 NNM securities are set out in the NASD's *Notice To Members* 96-17 (March 1996).

In ranking NNM securities pursuant to the established classification criteria, Nasdaq followed the changes dictated by the criteria with two exceptions. First, an issue was not moved more than one tier size level. For example, if an issue was previously categorized in the 1,000-share tier size, it would not be permitted to move to the 200-share tier even if the reclassification criteria showed that such a move was warranted. In adopting this policy, Nasdaq was attempting to maintain adequate public investor access to the market for issues in which the tier size level decreased and help ensure the ongoing participation of market makers in SOES for issues in which the tier size level increased. Second, for securities priced below \$1 where the reranking called for a reduction in tier size, the tier size was not reduced.

The NASD believes that the proposed rule change is consistent with Section 15A(b)(6) of the Act. Section 15A(b)(6) requires, among other things, that the rules of the NASD governing the operation of The Nasdaq Stock Market be designed to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing

information with respect to, and facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market. The NASD believes that the reassignment of NNM securities within SOES tier size levels and minimum quotation size levels will further these ends by providing an efficient mechanism for small, retail investors to execute their orders on Nasdaq and providing investors with the assurance that they can effect trades up to a certain size at the quotations displayed on Nasdaq.

B. Self-Regulatory Organization's Statement on Burden on Competition

The NASD believes that the proposed rule change will not result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The proposed rule change has become effective immediately pursuant to Section 19(b)(3)(A)(i) of the Act and subparagraph (e) of Securities Exchange Act Rule 19b-4 because the reranking of NNM securities into appropriate SOES tier sizes was done pursuant to the NASD's stated policy and practice with respect to the administrative and enforcement of two existing NASD rules. Further, in the SOES Tier Size Order, the Commission requested that the NASD provide this information as an interpretation of an existing NASD rule under Section 19(b)(3)(A) of the Act. At any time within 60 days of the filing of such rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent

² The classification criteria is set forth in footnote 1 to Section(a)(7) of the SOES Rules and Section 2(a) of Part V of Schedule D to the NASD By-Laws.

amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to the file number in the caption above and should be submitted by April 3, 1996.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.³

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-5846 Filed 3-11-96; 8:45 am]
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[Release No. 34-36931; File No. SR-NSCC-96-05]

**Self Regulatory Organizations;
National Securities Clearing
Corporation; Notice of Filing of
Proposed Rule Change Modifying the
Automated Customer Account
Transfer Service to Facilitate the
Transfer of Shares Being Tracked in
the Initial Public Offering Tracking
System**

March 6, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on February 27, 1996, the National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which items have been prepared primarily by NSCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

**I. Self-Regulatory Organization's
Statement of the Terms of Substance of
the Proposed Rule Change**

NSCC proposes to modify its rules and procedures relating to its Automated Customer Account Transfer Service ("ACATS") to facilitate the transfer of shares which are purchased in an initial public offering ("IPO shares") and which are being tracked in

The Depository Trust Company's ("DTC") IPO tracking system.²

**II. Self-Regulatory Organization's
Statement of the Purpose of, and
Statutory Basis for, the Proposed Rule
Change**

In its filing with the Commission, NSCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. NSCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.³

**A. Self-Regulatory Organization's
Statement of the Purpose of, and
Statutory Basis for, the Proposed Rule
Change**

The proposed rule change will notify NSCC's Rule 50 (ACATS) so that Rule 50 states that shares to be transferred through ACATS that are being tracked through DTC's IPO tracking system will not be entered into NSCC's Continuous Net Settlement ("CNS") accounting operation even if such shares are CNS eligible.⁴ Rule 50 also will state that NSCC will prepare ACATS receive and deliver orders for such shares.

Under DTC's proposed IPO tracking system, broker-dealers will have an IPO control account at DTC for IPO shares and a free account for shares purchased in the secondary market. The segregated accounts aid in tracking the movement of IPO shares.

In the CNS system, deliver obligations must be made from the free account. If IPO shares for which there is an ACATS deliver obligation were to settle in CNS, the shares would have to be moved out of the segregated IPO control account and into the member's free account. The IPO tracking system would register the movement from the IPO control account into the free account as a flip⁵ and

² This filing is made in conjunction with DTC's proposed rule change seeking to implement the IPO tracking system. The IPO tracking system will allow lead managers and syndicate members of equity underwritings to monitor flipping of new issues in an automated bookentry environment. For a complete description of the IPO tracking system, refer to Securities Exchange Act Releaser No. 36897 (February 27, 1996), [SR-DTC-95-27] (notice of filing of proposed rule change seeking to implement the IPO tracking system).

³ The Commission has modified the text of these statements.

⁴ CNS eligible securities are those securities that are eligible for transfer on the books of a securities depository registered with the Commission under Section 17A of the Act and that are contained in a list maintained by NSCC as subject to clearance and settlement in its CNS system.

⁵ Flipping occurs during an IPO when a syndicate's lead manager is supporting the IPO with

would no longer be able to track the shares.

NSCC's proposed rule change will require IPO shares transferred through ACATS to be delivered ex-CNS (*i.e.*, outside of the CNS system). The shares will be delivered pursuant to DTS's new IPO customer account transfer function. The shares will continue to be tracked and will not register as flipped even though they are subject to an ACATS deliver obligation.

NSCC believes the proposed rule change is consistent with the requirements of Section 17A of the Act⁶ because the change will facilitate efficiency and safety in the clearance and settlement of securities transactions. Furthermore, NSCC believes the proposed rule change will permit DTC's IPO tracking system to achieve its maximum potential and expects to implement these changes concurrently with the implementation of DTC's IPO tracking system.

**B. Self-Regulatory Organization's
Statement on Burden on Competition**

NSCC does not believe that the proposed rule change will have an impact on or impose a burden on competition.

**C. Self-Regulatory Organization's
Statement on Comments on the
Proposed Rule Change Received From
Members, Participants, or Others**

No written comments relating to the proposed rule change have been solicited or received. NSCC will notify the Commission of any written comments received by NSCC.

**III. Date of Effectiveness of the
Proposed Rule Change and Timing for
Commission Action**

Within thirty-five days of the date of publication of this notice in the Federal Register or within such longer period (i) As the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve such proposed rule change or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

a stabilization bid, which is intended to keep the price of the issue from dropping below its initial offering price, and securities that had been distributed to investors are resold by those investors back to the syndicate.

⁶ 15 U.S.C. 78q-1 (1988)

³ 17 CFR 200.30-3(a)(12) (1995).

¹ 15 U.S.C. § 78S(b)(1) (1988).

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be with held from the public in accordance with provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section 450 Fifth Street NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of NSCC. All submissions should refer to File No. SR-NSCC-96-05 and should be submitted by April 2, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁷

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-5843 Filed 3-11-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36930; File No. SR-NSCC-95-17]

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing of a Proposed Rule Change To Establish Additional Procedures for Placing Settling Members on Class A Surveillance and Collecting Clearing Fund and Other Collateral Deposits for Settling Members

March 6, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on December 20, 1995, the National Securities Clearing Corporation ("NSCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which items have been prepared primarily by NSCC. The Commission is publishing this notice to solicit comments from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change seeks to establish additional procedures in connection with placing NSCC members on Class A surveillance. The proposal also seeks approval of special clearing fund deposit and other collateral requirements for NSCC members placed on Class A surveillance.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, NSCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. NSCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.²

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

Rule 15, Section 3 of NSCC's rules provides that any settling member³ shall furnish NSCC such adequate assurances of its financial responsibility and operational capability as NSCC may at any time or from time to time deem necessary or advisable in order to protect NSCC. Section 4 of rule 15 further states that such adequate assurances may include, but are not be limited to, requiring increased clearing fund deposits of settling members. Section III.B.1.o. of Addendum B to NSCC's rules permits NSCC to place any settling member on Class A surveillance status due to the presence of any condition which could materially impact the operational or financial viability of a settling member which increases or may potentially increase exposure to NSCC.

NSCC's Board of Directors has determined that settling members can materially impact their financial viability by conducting significant clearing business for over-the-counter ("OTC") market makers or by engaging in OTC market making. In turn, this could potentially increase exposure to NSCC when the market maker, either

along or acting in concert with other market makers, takes net street-side trading positions that constitute a disproportionately large percentage of the total net street-side buys or net street-side sells in any issue (*i.e.*, the market maker dominates one side of the market in the issue) and has insufficient capital or access to capital to support the positions in dominated issues.

The potential for increased exposure to NSCC becomes greater to the extent that one or more additional risk factors are present. These additional risk factors include, without limitation:

- (1) Concentrated short selling in dominated issues;
- (2) Undue concentration of inventory in the market maker(s) for dominated issues;
- (3) Dominated issues also being IPSs less than six months past initial issuance particularly when the current value of the issue is significantly different from its initial sales price or there is undue concentration of inventory in the managing underwriter(s); and
- (4) Clearing positions of market makers in dominated issues away from their primary clearing brokers.

To the extent that a market maker's net street-side trading positions in dominated issues result from legitimate customer orders, the potential adverse impact on the financial viability of a settling member and the potential for increased exposure to NSCC would be mitigated.

In light of the foregoing, NSCC has filed for approval its policy of placing settling members on Class A surveillance if they clear for or are themselves OTC market makers, and they do not have sufficient capital or access to capital to support either potential increases in market making activity in dominated issues of the type described above or if there is the presence of the additional risk factors described above in current volumes of market maker activity. At its discretion, NSCC may elect not to place settling members on Class A surveillance if it has obtained sufficient assurances of a high degree of mitigating circumstances. However, the mere fact that a market maker has a large customer base may not necessarily constitute the necessary mitigating circumstances especially if the customers are retail and/or the market maker has a history of customer complaints or other adverse regulatory or disciplinary actions.

Pursuant to Rule 15, NSCC has filed for approval its proposed interim collateralization policy which would permit NSCC, in its discretion, to require settling members placed on

⁷ 17 CFR 200.30-3(a)(12) (1995).

¹ 15 U.S.C. 78s(b)(1) (1988).

² The Commission has modified the text of the summaries prepared by NSCC.

³ NSCC Rule 1 defines a "settling member" as any NSCC member or non-clearing member, and except where a contrary intent is expressed in the rules, settling member includes a special representative.

Class A surveillance who clear for or are themselves OTC market makers to meet special collateralization requirements as follows.

(1) To the extent that the sum of the absolute values of the net unsettled trading positions of any such settling member in all the securities dominated⁵ by a market maker exceeds the market maker's excess net capital, NSCC may require the settling member to deposit the amount of the excess with NSCC at such times and in such manner as NSCC may designate, including an immediate deposit of same-day funds.⁶ In determining the size of net unsettled trading positions, NSCC may take into account offsetting, pending (*i.e.*, non-fail) institutional delivery ("ID") transactions that have been confirmed, and when NSCC deems appropriate, affirmed⁷ through the ID system of a clearing agency registered under Section 17A of the Act ("registered clearing agency").⁸ In addition, if a market maker's net unsettled trading positions in dominated issues are cleared by one or more other settling members, including any settling member on Class A surveillance, NSCC will have the discretion, for purposes of calculating the special collateral deposit, of treating those positions as if they were all cleared by a settling member on Class A surveillance.

(2) To the extent that the unsettled positions referred to in paragraph (1) above are short (*i.e.*, net sells), NSCC may in its discretion collect more than 100% of the market maker's excess net capital or may require or accept in lieu of cash collateral a book-entry delivery of securities to NSCC sufficient to cover the short position.

(3) NSCC will reserve the right at all times to accept alternative arrangements for its protection in any of the above situations. NSCC may require special collateral deposits with respect to trading positions in issues dominated by a market maker even when the value of those positions do not exceed the market maker's excess net capital. NSCC may also choose to forego collecting such special collateral even when the value of those positions exceed the

market maker's excess net capital (but do not exceed some higher threshold) as the situation may warrant depending upon, among other things, the presence or absence of additional risk factors or mitigating circumstances.

The special collateralization requirements described above are interim measures for settling members on Class A surveillance which will be in effect until NSCC has gained enough experience in surveillance of OTC market maker trading activities to impose permanent special collateralization requirements. Additionally, if there is concentrated short selling in dominated issues, NSCC will maintain its right to collect special collateral deposits from the settling members clearing the short sales without regard to their surveillance status. Special collateral collected from any settling member pursuant to the above procedures will be in addition to the settling member's clearing fund deposit computed in accordance with the formulae set forth in NSCC Procedure XV or in accordance with the alternative method set forth below.

NSCC also recognizes that settling members on Class A surveillance have been determined to present a higher than normal risk of default and insolvency. As a result, NSCC has proposed that such settling members be required to make clearing fund deposits keyed to the close-out risk presented by their unsettled positions in NSCC's systems. Therefore, pursuant to Rule 15 NSCC proposes that it shall have the discretion to compute the continuous net settlement ("CNS") clearing fund requirements for any settling member on Class A surveillance without regard to particular individual circumstances and in accordance with the following alternative method rather than as set forth in NSCC Procedure XV.

(1) NSCC may calculate on a daily or periodic basis the volatility of any such settling member's net unsettled trading positions in CNS eligible issues ("net CNS trading positions"). Such positions shall be determined after taking into account offsetting pending (*i.e.*, non-fail) ID transactions that have been confirmed, and when NSCC deems appropriate, affirmed⁹ through the ID system a registered clearing agency. Such calculation will be made in accordance with the Capital Asset Pricing Model or any other generally accepted portfolio volatility model including without limitation any margining formula employed by any other registered clearing agency provided, however, that not less than

two standard deviations' volatility shall be calculated under any model chosen. Such calculation will be made utilizing such assumptions and based on such historical data as NSCC deems reasonable and shall cover such range of historical volatility as NSCC from time to time deems appropriate. If such volatility is calculated on a periodic basis, it may be expressed as a percentage of the sum of the absolute values of the firm's net CNS trading positions. Any such calculations, whether expressed as a dollar value or percentage, may be rounded as NSCC deems appropriate.

(2) NSCC shall have the discretion to exclude from the above calculations net CNS trading positions in classes of securities whose volatility is (i) less amenable to statistical analysis, such as OTC bulletin board or pink sheet issues or issues trading below a designated dollar threshold (*e.g.*, five dollars), or (ii) amenable to generally accepted statistical analysis only in a complex manner (*e.g.*, municipal or corporate bonds). The amount of clearing fund required with respect to net CNS trading positions in such issues shall be determined by multiplying the absolute value of such positions by a percentage designated by NSCC, which percentage may vary depending on such factors as NSCC deems relevant.

(3) The amounts calculated in accordance with the immediately preceding two numbered paragraphs will be substituted for the amount calculated in accordance with paragraph (1)(c) of Sections A.I.(a), A.II.(a), and A.II.(b) of Procedure XV set forth in NSCC's rules. In addition, NSCC may in its discretion reduce or eliminate the amount calculated in accordance with paragraph (1)(a) of such sections.

(4) NSCC in its discretion also may calculate the total clearing fund requirement of any settling member on a daily basis instead of a twenty day rolling average basis and may collect deficiencies at such times and in such manner as specified by NSCC from time to time, including immediate collection of same-day funds.

Nothing in the foregoing rule proposal should be construed to limit NSCC's discretion with respect to placing settling members on Class A surveillance or requiring settling members to furnish adequate assurances of financial responsibility or operational capability as set forth in NSCC's Rules.

NSCC believes that the proposed rule change is consistent with the requirements of Section 17A(b)(3)(F)¹⁰ of the Act and the rules and regulations

⁵ Domination will be determined according to criteria specified by NSCC from time to time.

⁶ The term "same-day funds" refers to payment in funds that are immediately available and generally are transferred by electronic means.

⁷ In determining net unsettled trading positions, NSCC in its discretion under certain circumstances may elect to take into account offsetting pending confirmed ID transactions only if such transactions also have been affirmed. Moreover, NSCC may decline to consider any ID transaction if it has reason to believe that the institutional counterparty may not or cannot settle such transaction.

⁸ 15 U.S.C. § 78q-1 (1988).

⁹ *Id.*

¹⁰ 15 U.S.C. § 78q-1(b)(3)(F) (1988).

thereunder applicable to NSCC because the default or insolvency of any settling member potentially imposes burdens and costs on NSCC and all of its members and that the procedures described above are designed to reduce these burdens and costs.

(B) Self-Regulatory Organization's Statement on Burden on Competition

NSCC does not believe that the proposed rule will have an impact or impose a burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

No written comments relating to the rule filing have been solicited or received. NSCC will notify the Commission of any written comments received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within thirty-five days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which NSCC consents, the Commission will:

- (a) By order approve such proposed rule change or
- (b) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submission should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington D.C. 20549. Copies of the submissions, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filings will also be available for inspection and copying at the principal office of NSCC. All submissions should

refer to the file number SR-NSCC-95-17 and should be submitted by April 2, 1996.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹¹

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96-5844 Filed 3-11-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36927; File No. SR-NYSE-95-45]

Self-Regulatory Organizations; New York Stock Exchange, Inc.; Order Granting Approval to Proposed Rule Change Relating to Additions to "List of Exchange Rule Violations and Fines Applicable Thereto Pursuant to Rule 476A"

March 5, 1996.

On December 28, 1995, the New York Stock Exchange, Inc. ("NYSE" or "Exchange") submitted to the Securities and Exchange Commission ("SEC" or "Commission") pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposed rule change to revise the List of Exchange Rule Violations and Fines Applicable Thereto Pursuant to Rule 476A ("476A List") to include NYSE Rule 476(a)(10) and certain provisions of NYSE Rule 95 and NYSE Rule 127. The NYSE also requested approval, under Rule 19d-1(c)(2), to amend its Rule 19d-1 Minor Rule Violation Enforcement and Reporting Plan ("MRVP") to include the items proposed for addition to the 476A List.³

The proposed rule change was published for comment in Securities Exchange Act Release No. 36756 (Jan. 22, 1996), 61 FR 2856 (Jan. 29, 1996). No comments were received on the proposal.

In 1984, the Commission adopted amendments to Rule 19d-1(c) to allow SROs to submit, for Commission approval, plans for the abbreviated reporting of minor rule violations.⁴ The

Commission, in adopting Rule 19d-1, attempted to balance the informational needs of the Commission against the reporting burdens of the SROs,⁵ and with paragraph (c) of Rule 19d-1 the Commission further attempted to reduce those reporting burdens by permitting, where immediate reporting was unnecessary, quarterly reporting of minor rule violations. Rule 19d-1(c), however, was intended to be limited to rules that can be adjudicated quickly and objectively.

In 1985, the Commission approved a NYSE plan for the abbreviated reporting of minor rule violations pursuant to Rule 19d-1(c). The NYSE MRVP, as embodied in NYSE Rule 476A, provides that the Exchange may designate violations of certain rules as minor rule violations. The Exchange may impose a fine, not to exceed \$5,000, on any member, member organization, allied member, approved person, or registered or non-registered employee of a member or member organization for a violation of the delineated rules by issuing a citation with a specific penalty.⁶ Such person can either accept the penalty or request a full disciplinary hearing on the matter.⁷ The Exchange also retains the option of bringing violations of rules subject to NYSE Rule 476A to full disciplinary proceedings, and the Commission expects the Exchange to do so for egregious or repeated violations.

The NYSE currently is adding to the 476A List and MRVP: (1) misstatements or omissions of fact on any submission filed with the Exchange as provided in NYSE Rule 476(a)(10); (2) failure to comply with the requirements of NYSE Rule 95 with respect to its order identification requirements or prohibition of transactions by members on the Floor involving discretion; and

be considered "final" for purposes of Section 19(d)(1) of the Act if the sanction imposed consists of a fine not exceeding \$2,500 and the sanctioned person has not sought an adjudication, including a hearing, or otherwise exhausted his or her administrative remedies. By deeming unadjudicated minor violations as not final, the Commission permits the SRO to report violations on a periodic, rather than on an immediate, basis.

⁵ See Securities Exchange Act Release No. 13762 (July 8, 1977), 42 FR 35411 (July 14, 1977).

⁶ The List is contained in Supplementary Material to NYSE Rule 476A. As discussed *supra*, note 4, only those fines imposed that are not in excess of \$2,500 are subject to periodic reporting. Fines imposed pursuant to Rule 476A in excess of \$2,500 are deemed final and therefore must be reported immediately to the Commission consistent with the reporting requirements of Section 19(d)(1) of the Act.

⁷ As discussed *supra*, note 4, any sanction for which a full disciplinary hearing was requested or administrative remedies otherwise have been exhausted is considered final and must be reported immediately to the Commission consistent with the reporting requirements of Section 19(d)(1) of the Act.

¹¹ 17 CFR 200.30-3(a)(12) (1994).

¹ 15 U.S.C. § 78s(b)(1).

² 17 CFR 240.19b-4.

³ See letter from Daniel Parker Odell, Assistant Secretary, NYSE, to Glen Barrentine, Team Leader, Division of Market Regulation, SEC, dated December 27, 1995.

⁴ See Securities Exchange Act Release No. 21013 (June 1, 1984), 49 FR 23828 (June 8, 1984). Pursuant to paragraph (c)(1) of Rule 19d-1, an SRO is required to file promptly with the Commission notice of any final disciplinary action taken by the SRO. Pursuant to paragraph (c)(2) of Rule 19d-1, any disciplinary action taken by an SRO for a violation of an SRO rule that has been designated a minor rule violation pursuant to the Plan shall not

(3) failure to comply with certain procedures under NYSE Rule 127 for execution of block cross transactions at a price that is outside the NYSE best bid or offer.

Specifically, the Exchange is seeking to add to the 476A List misstatements or omissions of fact on applications for membership approval, financial statements, reports or other submissions filed with the Exchange in violation of NYSE Rule 476(a)(10). The Commission believes that violations of NYSE Rule 476(a)(10) are relatively objective and thus adding this rule to the MRVP is consistent with the Act. The Commission, however, is concerned about situations where false or misleading statements and omissions of material facts are willfully made that could cause an individual or entity to be subject to a statutory disqualification as defined in Section 3(a)(39)(F) of the Act. In such situations, procedures under Rule 476A would not be appropriate to address the conduct, and the Exchange should bring a full disciplinary proceeding for any such violation and notify the Commission immediately of any final action on the matter. In this regard, the Exchange has represented that it would be careful to distinguish misstatements or omissions of facts from willfully made false or misleading statements and omissions of material fact. Moreover, the Exchange has stated that in appropriate circumstances (*i.e.*, findings of a pattern of misstatements or omissions), the Exchange would not use the procedures under Rule 476A to address the conduct.

The Exchange also proposes to amend the Rule 476A List by adding NYSE Rule 95, which generally prohibits transactions that involve discretion as to (1) choice of security, (2) total amount of security to be bought or sold, or (3) whether a transaction is to be a purchase or sale. The Exchange is also seeking to add to the 476A List the failure to identify appropriately a liquidating order pursuant to NYSE Rule 95(c) (all liquidating orders effected pursuant to Rule 95(c) must be marked on the Floor as "BC" in the case of an order covering a short position or "SLQ" in the case of the sell order liquidating a long position). The Commission believes that violations of NYSE Rule 95 in these circumstances are relatively objective and thus adding these violations to the MRVP is consistent with the Act.

Finally, the Exchange is presently seeking approval to add to the 476A List the failure by members or member organizations to adhere to certain procedures under NYSE Rule 127 for execution of block cross transactions at

a price that is outside of the NYSE best bid or offer. Specifically, the failure to fulfill the requirement to satisfy public limit order at the clean up price when a position is established or increased for a member's or member organization's proprietary account would be considered a violation for which a fine pursuant to Rule 476A might be imposed.⁸ Moreover, the failure to utilize the procedures of NYSE Rule 127 to satisfy all better-priced limit orders when effecting block crosses outside the currently quoted market would also be considered a violation for which a fine pursuant to Rule 476A might be imposed. These specific violations of NYSE Rule 127 can be objectively determined and therefore the Commission believes that it is consistent with the Act to add these violations of NYSE Rule 127 to the 476A List and MRVP.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with the requirements of sections 6(b)(1), 6(b)(6), 6(b)(7), 6(d)(1) and 19(d) of the Act.⁹ The proposal is consistent with the Section 6(b)(6) requirement that the rules of an exchange provide that its members and persons associated with its members shall be disciplined appropriately for violations of rules of the exchange. The proposal provides an efficient procedure for appropriate disciplining of members for rule violations that are objective and technical in nature. Moreover, because NYSE Rule 476A provides procedural rights to the person fined and permits a disciplined person to request a full hearing on the matter, the proposal provides a fair procedure for the disciplining of members and persons associated with members, consistent with Section 6(b)(7) and 6(d)(1) of the Act.

The Commission also believes that the proposal provides an alternate means by which to deter violations of the NYSE rules included in the MRVP, thus furthering the purposes of Section 6(b)(1) of the Act. An exchange's ability to enforce effectively compliance by its members and member organizations with Commission and Exchange rules is central to its self-regulatory functions. Inclusion of a rule in an exchange's minor rule violation plan should not be

interpreted to mean it is an unimportant rule. On the contrary, the Commission recognizes that inclusion of rules under a minor rule violation plan may not only reduce reporting burdens on an SRO but also may make its disciplinary system more efficient in prosecuting violations of these rules.

Moreover, because the NYSE retains the discretion to bring a full disciplinary proceeding for any violation included on the 476A List, the Commission believes that adding the NYSE rules outlined above will enhance, rather than reduce, the NYSE's enforcement capabilities of these Exchange requirements. In this regard, the Commission expects the Exchange to bring full disciplinary proceedings if it determines that a violation otherwise covered by the MRVP is not minor in nature, in the event of repeated violations of a particular rule, or in any other appropriate circumstance. Finally, the Commission believes that subjecting violations of the above specified NYSE rules to Rule 476A procedures will prove to be an effective response when the initiation of a full disciplinary proceeding is unsuitable because such a proceeding may be more costly and time-consuming in view of the minor nature of the particular violation. By including these rules in the 476A List, the Exchange can quickly respond to violations, thereby immediately deterring similar infractions.

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act,¹⁰ that the proposed rule change (SR-NYSE-95-45) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹¹

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-5784 Filed 3-11-96; 8:45 am]

BILLING CODE 8010-01-7

[Release No. 34-36917; File No. SR-PSE-95-29]

Self-Regulatory Organizations; Pacific Stock Exchange, Inc.; Order Approving Proposed Rule Change Relating to the Composition and Duties of the Options Allocation Committee

March 4, 1996.

I. Introduction

On November 15, 1995, the Pacific Stock Exchange, Inc. ("PSE" or "Exchange") submitted to the Securities and Exchange Commission ("Commission"), pursuant to Section

⁸ The Exchange has represented that it would not seek to review a member's initial determination as to whether the member would incur excessive stock loss by satisfying all orders at the clean-up price.

⁹ See 15 U.S.C. §§ 78f(b) (1), (6), (7), and (d)(1) and § 78s(d).

¹⁰ 15 U.S.C. 78s(b)(2).

¹¹ 17 CFR 200.30-3(a)(12).

19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² a proposal to amend its rules relating to the composition and duties of the Options Allocation Committee ("OAC"). The proposed rule change was published for comment in the Federal Register on December 21, 1995.³ No comments were received on the proposed rule change.

II. Description of the Proposal

PSE Rule 11.10(c) describes the duties and composition of the OAC. The Exchange proposes to make five changes to Rule 11.10(c). First, the current Rule 11.10(c) requirement that the OAC consist of Floor Brokers and Market Makers is amended to provide that the OAC shall consist of Market Makers, Lead Market Makers, Floor Brokers, and/or persons associated with floor members, office members or office allied members.⁴

Second, Commentary .01 to Rule 11.10(c) currently provides that the OAC shall be comprised of (i) two Floor Brokers from either the Options Floor Trading Committee or the Options Listing Committee; (ii) two Market Makers or Lead Market Makers from either the Options Floor Trading Committee or the Options Listing Committee; (iii) three at-large Floor Brokers; and (iv) three at-large Market Makers or Lead Market Makers. The proposal amends this provision to provide that attempts shall be made for the OAC to have a composition that includes: Floor Brokers from either the Options Floor Trading Committee or the Options Listing Committee; Market Makers or Lead Market Makers from either the Options Floor Trading Committee or the Options Listing Committee; at-large Floor Brokers; and at-large Market Makers or Lead Market Makers.

Third, the proposal eliminates the Commentary .01 limitation that the OAC include no more than three members of the Options Floor Trading Committee and no more than three members of the Options Listing Committee.

Fourth, Rule 11.10(c) currently provides that it shall be the duty of the OAC to allocate, reallocate and evaluate options issues. The proposal changes this provision to provide that the OAC shall allocate and reallocate option issues.

Finally, the current Rule 11.10(c) provision that the OAC is responsible for monitoring the performances of trading crowds and Lead Market Makers is changed to provide that the OAC shall be responsible for evaluating and monitoring the performances of Market Makers, trading crowds and Lead Market Makers.⁵

III. Discussion

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with Section 6(b)(3) of the Act, in that the proposal provides for a fair representation of the Exchange's members in the administration of its affairs, and also with Section 6(b)(5) of the Act, in that the proposal is designed to protect investors and the public interest.

The Commission believes that the Exchange's proposal regarding the composition of the OAC should serve to allow greater flexibility in the committee selection process while maintaining a committee structure that broadly represents the Exchange's membership. Thus the proposal removes specific numerical requirements for the composition of the OAC while requiring that attempts be made to have a broadly representative committee. Similarly, removing the restrictions on the number of OAC members who may belong to certain other committees should serve to enhance the process of replacing committee members who resign or change their status relating to floor membership or service on other committees of the Exchange.

The Commission believes that the provisions of the proposal relating to the duties of the OAC clarify the existing rules and do not otherwise change the way business is conducted on the Exchange. Specifically, the proposal makes clear that it is the duty of the OAC to allocate and reallocate option issues, not to evaluate them. The latter is the duty of the Options Listing Committee.⁶ Similarly, the proposal

makes the OAC responsible for evaluating, as well as monitoring, Market Makers, trading crowds, and Lead Market Makers (and in so doing adds an explicit reference to Market Makers).

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b) (2) of the Act,⁷ that the proposed rule change (SR-PSE-95-29) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority:⁸

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-5782 Filed 3-11-96; 8:45 am]

BILLING CODE 8010-01-M

U.S. SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Loan Area #2842]

Idaho; Declaration of Disaster Loan Area

Benewah County and the contiguous counties of Kootenai, Latah, and Shoshone in the State of Idaho and Whitman and Spokane Counties in the State of Washington constitute a disaster area as a result of damages caused by a fire which occurred on January 30, 1996. Applications for loans for physical damages as a result of this disaster may be filed until the close of business on May 6, 1996 and for economic injury until the close of business on December 5, 1996 at the address listed below:

U.S. Small Business Administration,
Disaster Area 4 Office, P. O. Box
13795, Sacramento, CA 95853-4795
or other locally announced locations.

The interest rates are:

For Physical Damage:	Percent
Homeowners With Credit Available Elsewhere	7.250
Homeowners Without Credit Available Elsewhere	3.625
Businesses With Credit Available Elsewhere	8.000
Businesses and Non-Profit Organizations Without Credit Available Elsewhere	4.000
Others (Including Non-Profit Organizations) With Credit Available Elsewhere	7.125
For Economic Injury:	
Businesses and Small Agricultural Cooperatives Without Credit Available Elsewhere ...	4.000

Committee to recommend to the Board of Governors options for listing and delisting on the Exchange.

⁷ 15 U.S.C. 78s(b)(2) (1988).

⁸ 17 CFR 200.30-3(a)(12) (1994).

¹ 15 U.S.C. 78s(b)(1) (1988).

² 17 CFR 240.19b-4 (1994).

³ See Securities Exchange Act Release No. 36592 (December 14, 1995), 60 FR 66333.

⁴ Cf. PSE Const., Art. IV, § 5(a) (analogous provision for Equity Allocation Committee). The Exchange interprets the term "office member" to include any member who is not a floor member. Thus, the term "office member" denotes those members who work in an office, or "upstairs," rather than working on a trading floor as a market maker, floor broker, or specialist. Letter from Michael D. Pierson, Senior Attorney, Market Regulation, PSE, to Francois Mazur, Attorney, Office of Market Supervision, Division of Market Regulation, Commission, dated February 29, 1996.

⁵ The OAC currently evaluates Market Makers and Lead Market Makers pursuant to Options Floor Procedure Advice B-13.

⁶ PSE Const. Art. IV, § 7(b) and Rule 11.10(d) both provide that it is the duty of the Options Listing

The number assigned to this disaster for physical damage is 284205 and for economic injury the number is 878600 in the State of Idaho and for the State of Washington the number is 284305 for physical damage and for economic injury the number is 878700.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: March. 5, 1996.

Philip Lader,
Administrator.

[FR Doc. 96-5847 Filed 3-11-96; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF STATE

[Public Notice 2306]

Bureau of Political-Military Affairs; Foreign Assistance Act; Determinations

AGENCY: Department of State.

ACTION: Determination under the FREEDOM Support Act.

Pursuant to Section 654(c) of the Foreign Assistance Act of 1961, as amended, notice hereby is given that the Secretary of State has made a determination pursuant to Section 498A of the Foreign Assistance Act of 1961, as amended, and has concluded that publication of the determination would be harmful to the national security of the United States.

Editorial Note: This document received at the Office of the Federal Register, Washington, DC, on March 7, 1996.

Dated: August 7, 1995.

Thomas E. McNamara,
Assistant Secretary of State for Political-Military Affairs.

[FR Doc. 96-5860 Filed 3-11-96; 8:45 am]

BILLING CODE 4710-25-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Environmental Impact Statement; Palm Beach International Airport, West Palm Beach, Florida

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of Intent.

SUMMARY: The Federal Aviation Administration (FAA) is issuing this notice to advertise to the public that an Environmental Impact Statement (EIS) is planned to be prepared and considered for the proposed extension of Runway 9L-27R to 10,000' at Palm Beach International Airport. It is

proposed to displace the landing thresholds of the improved runway to their current physical locations. The FAA plans to hold a scoping meeting to obtain input from the public regarding the EIS. If it is determined during the course of the study that the environmental impacts are not significant, FAA will terminate the EIS process, complete the study as an Environmental Assessment (EA) and issue a Finding of No Significant Impact (FONSI).

FOR FURTHER INFORMATION CONTACT:

Mr. Bart Vernace, Federal Aviation Administration, Orlando Airports District Office, 9677 Tradeport Drive, Suite 130, Orlando, Florida 32827-5397, (407) 648-6583.

SUPPLEMENTARY INFORMATION: This notice announces that the FAA, in cooperation with Palm Beach County, Florida, will prepare an EIS for a proposed project to lengthen Runway 9L-27R at the Palm Beach International Airport (PBI) to 10,000' x 150' for air carrier aircraft use. The existing runway (7,989') accommodates all aircraft currently using the airport, but the Airport Layout Plan (ALP) approved December 28, 1995, indicates that a runway extension is needed to allow the existing fleet to serve longer stage domestic markets and international markets (Europe). The proposed extension will be 1,200' to the west and 811' to the east. It is proposed to displace the landing thresholds of the improved runway to their current physical locations.

Extension of the existing parallel and connecting taxiways is also proposed. The proposed project would entail construction activity on airport property (i.e., site preparation, drainage, paving, marking, lighting, fencing, NAVAIDS, obstruction clearing, environmental mitigation), and other associated work required for the runway extension). Some additional property interests may be required for runway protection zones and/or NAVAID relocations.

The extended runway is planned as a precision instrument runway (PIR) with a CAT I approach to Runway 9L and a CAT I approach to Runway 27R. The runway will have approach slopes of 50:1 to Runway 9L and 50:1 to Runway 27R with a primary surface width of 1,000 feet.

The EIS will include evaluation of a no-build alternative and other reasonable alternatives that may be identified during the public scoping meeting. The proposed runway extension would provide sufficient airfield capacity and versatility at PBI to accommodate expected aircraft demand

through the year 2015. The increased runway length provided by the proposed project would result in aircraft operations with longer non-stop stage lengths to domestic and international markets.

The fleet mix of aircraft at PBI could change with the proposed runway extension. The airport will be more desirable to the airlines for the more frequent operation of aircraft such as the Boeing 747 and 767 because of the greater departure stage lengths possible with the longer runway. The EIS will determine any noise impacts associated with the operation of the proposed runway. Recently approved noise studies at PBI have indicated that the proposed development will have the effect of reducing cumulative noise levels in noise sensitive areas. This is anticipated to occur because the extended runway will enable departing aircraft to be higher, and quieter, over sensitive areas when compared to the present conditions. The displaced landing thresholds proposed to be implemented with the extended runway will result in aircraft arrivals occurring at the same altitudes and noise levels as the present condition. In addition to noise impacts, the EIS will determine any impacts on air and water quality, wetlands, ecological resources, floodplains, historic resources, hazardous wastes and coastal zone management.

PUBLIC SCOPING: To ensure that the full range of issues related to the proposed project are addressed and that all significant issues are identified, comments and suggestions are invited from all interested parties. A public scoping meeting to identify significant issues will be held in West Palm Beach, Florida. For this meeting we are inviting the public as well as the local, State and Federal agencies.

Written comments may be mailed to the Informational contact listed above within 30 days from publication of this Notice.

Questions may be directed to the individual named above under the heading, **FOR FURTHER INFORMATION CONTACT:**

Issued in Orlando, Florida, March 5, 1996.
Charles E. Blair,
Manager, Orlando Airports District Office.
[FR Doc. 96-5831 Filed 3-11-96; 8:45 am]

BILLING CODE 4910-13-M

Notice of Passenger Facility Charge (PFC) Approvals and Disapprovals

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Monthly Notice of PFC Approvals and Disapprovals. In February 1996, there were eight applications approved. Additionally, four approved amendments to previously approved applications are listed.

SUMMARY: The FAA publishes a monthly notice, as appropriate, of PFC approvals and disapprovals under the provisions of 49 U.S.C. 40117 (Pub. L. 103-272) and Part 158 of the Federal Aviation Regulations (14 CFR Part 158). This notice is published pursuant to paragraph d of § 158.29.

PFC Applications Approved

Public Agency: Kent County Department of Aeronautics, Grand Rapids, Michigan.

Application Number: 95-02-U-00-GRR.

Application Type: Use PFC revenue.
PFC Level: \$3.00.

Total Net PFC Revenue: \$94,359,802.
Charge Effective Date: December 1, 1992.

Estimated Charge Expiration Date: July 1, 2019.

Class of Air Carriers Not Required To Collect PFC's: No change from previous approval.

Brief Description of Project Approved for Use: Airfield project—construct runway 17/35 and related facilities.

Decision Date: February 2, 1996.

FOR FURTHER INFORMATION CONTACT:

Jack D. Roemer, Detroit Airports Districts Office, (313) 487-7282.

Public Agency: Jacksonville Port Authority, Jacksonville, Florida.

Application Number: 96-02-C-00-JAX.

Application Type: Impose and use a PFC.

PFC Level: \$3.00.

Total Net PFC Revenue Approved in This Application: \$18,135,750.

Estimated Charge Effective Date: July 1, 1997.

Estimated Charge Expiration Date: July 1, 2001.

Class of Air Carriers Not Required To Collect PFC's: Air taxi/commercial operators filing FAA Form 1800-31.

Determination: Approved. Based on information contained in the public agency's application, the FAA has determined that the proposed class accounts for less than 1 percent of the total annual enplanements at Jacksonville International Airport (JAX).

Brief Description of Projects Approved for Use at JAX:

Runway 25 glide slope/medium intensity approach lighting system with runway indicator lights (MALSR),

Taxiway reconstruction, phases I and J, Taxiway guidance signs, Runway 13/31 lighting improvements, New aircraft rescue and firefighting (ARFF) facility.

Brief Description of Projects Approved for Concurrent Authority to Impose and Use at JAX:

Federal Inspection Station facility improvements,

Terminal facilities improvement planning,

Purchase 3,000 gallon ARFF vehicle.

Brief Description of Projects Approved to Impose for Future Use at JAX:

Pavement reconstruction—phase II, Drainage improvements, Obstruction removal.

Brief Description of Project Approved To Impose at JAX for Future Use at Graig Municipal Airport. Inner

taxiways—runways 14/32 and 5/23.

Decision Date: February 15, 1996.

FOR FURTHER INFORMATION CONTACT:

Richard M. Owen, Orlando Airports District Office, (407) 648-6586.

Public Agency: Shreveport Airport Authority, Shreveport, Louisiana.

Application Number: 95-02-U-00-SHV.

Application Type: Use PFC revenue.
PFC Level: \$3.00.

Total Net PFC Revenue: \$29,841,353.
Charge Effective Date: February 1,

1994.

Estimated Charge Expiration Date: May 1, 2016.

Class of Air Carriers Not Required To Collect PFC's: No change to previous approval.

Brief Description of Project Approved for Use: Terminal renovation.

Decision Date: February 16, 1996.

FOR FURTHER INFORMATION CONTACT:

Ben Guttery, Southwest Region Airport Division, (817) 222-5614.

Public Agency: City of Rochester, Minnesota.

Application Number: 96-01-C-00-RST.

Application Type: Impose and use a PFC.

PFC Level: \$3.00.

Total Approved Net PFC Revenue: \$1,160,582.

Estimated Charge Effective Date: May 1, 1996.

Estimated Charge Expiration Date: April 1, 1999.

Class of Air Carriers Not Required to Collect PFC's: Non-scheduled Part 135 air taxi/commercial operators.

Determination: Approved. Based on information contained in the public agency's application, the FAA has determined that the proposed class accounts for less than 1 percent of the

total annual enplanements at Rochester International Airport.

Brief Description of Projects Approved for Collection and Use:

Purchase snow plow, Reconstruct taxiway (A), Reconstruct runway and install security access system,

Install signs; replace beacon; install electrical regulator; overlay apron; and develop property map and airport topography,

Reconstruct taxiway, Conduct Part 150 noise compatibility study; update airport master plan; purchase motor grader,

Modify cooling system in passenger terminal,

Prepare application to impose a PFC, Conduct environmental assessment, Rehabilitate taxiways,

Purchase snow removal equipment [snow blower],

Purchase snow removal equipment [snow broom].

Brief Description of Project Approved for Collection: Acquire land.

Decision Date: February 16, 1996.

FOR FURTHER INFORMATION CONTACT:

Sandra Depottey, Minneapolis Airports District Office, (612) 725-4359.

Public Agency: Friedman Memorial Airport Authority, Hailey, Idaho.

Application Number: 96-03-I-00-SUN.

Application Type: Impose a PFC.

PFC Level: \$3.00.

Total Net PFC Revenue Approved in This Application: \$621,000.

Estimated Charge Effective Date: May 1, 1996.

Estimated Charge Expiration Date: September 1, 1999.

Class of Air Carriers Not Required to Collect PFC's: Part 135 air taxi/commercial operators who conduct operations in air commerce carrying persons for compensation or hire in aircraft with a seating capacity of 10 or less.

Determination: Approved. Based on information submitted in the public agency's application, the FAA has determined that the proposed class accounts for less than 1 percent of the total annual enplanements at Friedman Memorial Airport.

Brief Description of Project Approved for Collection: Upgrade runway safety areas.

Decision Date: February 20, 1996.

FOR FURTHER INFORMATION CONTACT:

Sandra Simmons, Seattle Airports District Office, (206) 227-2656.

Public Agency: Routt County, Hayden, Colorado.

Application Number: 96-02-C-00-HDN.

Application Type: Impose and use a PFC.

PFC Level: \$3.00.

Total Approved Net PFC Revenue in This Application: \$358,969.

Estimated Charge Effective Date: April 1, 1997.

Estimated Charge Expiration Date: December 1, 2000.

Class of Air Carriers Not Required to Collect PFC's: None.

Brief Description of Projects Approved for Collection and Use:

Terminal building capacity improvements,

Runway safety improvements—overlay and groove runway 10/28,

Airfield capacity and safety improvements—rehabilitate the aircraft parking apron and construct the west port of parallel taxiway A, Acquire new snow removal equipment.

Decision Date: February 22, 1996.

FOR FURTHER INFORMATION CONTACT: Chris Schaffer, Denver Airports District Office, (303) 286-5525.

Public Agency: Little Rock National Airport, Little Rock, Arkansas.

Application Number: 96-02-U-00-LIT.

Application Type: Use PFC revenue.

PFC Level: \$3.00.

Total Net PFC Revenue Approved: \$32,765,055.

Charge Effective Date: May 1, 1995.

Estimated Charge Expiration Date: June 1, 2003.

Class of Air Carriers Not Required to Collect PFC's: No change from previous approval.

Brief Description of Projects Approved for Use:

Extend runway 4L/22R,

Prepare site for approach lighting system with sequenced flashers—II and for Category III instrument landing system on runway 22R.

Decision Date: February 23, 1996.

FOR FURTHER INFORMATION CONTACT: Ben Guttery, Southwest Region Airports Division, (817) 222-5614.

Public Agency: Chisholm-Hibbing Airport Authority, Hibbing, Minnesota.

Application Number: 96-01-C-00-HIB.

Application Type: Impose and use a PFC.

PFC Level: \$3.00.

Total Approved Net PFC Revenue: \$338,299.

Estimated Charge Effective Date: June 1, 1996.

Estimated Charge Expiration Date: October 1, 2004.

Class of Air Carriers Not Required to Collect PFC's: Air taxi/commercial operators.

Determination: Approved. Based on information contained in the public agency's application, the FAA has determined that the proposed class accounts for less than 1 percent of the total annual enplanements at Chisholm-Hibbing Airport.

Brief Description of Projects Approved for Collection and Use:

Reimbursement for the 1991 parallel taxiway and pavement rehabilitation, Reimbursement for the 1993 airfield signs and drainage improvements, Reimbursement for the 1994 airport drainage and perimeter fence plus airport layout plan update, Reimbursement for 1994 pavement rehabilitation, 1996 fending, PFC application, 1996 drainage improvements, 1996 passenger terminal building remodeling, 1996 runway 13 MALSR environmental assessment, 1997 snow plow truck, 1997 entrance road and parking lot reconfiguration and pavement rehabilitation.

Decision Date: February 23, 1996.

FOR FURTHER INFORMATION CONTACT: Gordon Nelson, Minneapolis Airports District Office, (612) 725-4358.

AMENDMENTS TO PFC APPROVALS

Amendment No., city, state	Amendment approved date	Amended approved net PFC revenue	Original approved net PFC revenue	Original estimated charge exp. date	Amended estimated charge exp. date
94-02-C-01-SUN, Hailey, ID	11/28/95	\$212,958	\$144,637	01/01/96	05/01/96
93-01-C-01-HDN, Hayden, CO	12/1/95	\$551,891	\$532,881	04/01/97	10/01/96
94-02-C-01-EYW, Key West, FL	1/29/96	\$1,272,858	\$1,110,333	03/01/97	11/01/96
92-01-C-02-SJU, San Juan, PR	2/8/96	\$51,479,368	\$46,200,066	10/01/96	02/01/98

Issued in Washington, DC on March 6, 1996.

Joseph M. Hebert,

Acting Manager, Passenger Facility Charge Branch.

[FR Doc. 96-5830 Filed 3-11-96; 8:45 am]

BILLING CODE 4910-13-M

Notice of Intent To Rule on Application To Impose and Use the Revenue From a Passenger Facility Charge (PFC) at Pellston Regional Airport of Emmet County, Pellston, MI

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of intent to rule on application.

SUMMARY: The FAA proposes to rule and invites public comment on the

application to impose and use the revenue from a PFC at Pellston Regional Airport of Emmet County under the provisions of the Aviation Safety and Capacity Expansion Act of 1990 (Title IX of the Omnibus Budget Reconciliation Act of 1990) (Public Law 101-508) and Part 158 of the Federal Aviation Regulations (14 CFR Part 158).

DATES: Comments must be received on or before April 11, 1996.

ADDRESSES: Comments on this application may be mailed or delivered in triplicate to the FAA at the following address:

Federal Aviation Administration, Detroit Airports District Office, Willow Run Airport, East, 8820 Beck Road, Belleville, MI 48111.

In addition, one copy of any comments submitted to the FAA must

be mailed or delivered to Mr. Raymond L. Thompson, Airport Manager, of the County of Emmet at the following address: Pellston Regional Airport of Emmet County, U.S. 31 North, Pellston, MI 49769.

Air carriers and foreign air carriers may submit copies of written comments previously provided to the County of Emmet under section 158.23 of Part 158.

FOR FURTHER INFORMATION CONTACT: Mr. Jon B. Gilbert, Program Manager, Federal Aviation Administration, Detroit Airports District Office, Willow Run Airport, East, 8820 Beck Road, Belleville, MI 48111 (313-487-7281). The application may be reviewed in person at this same location.

SUPPLEMENTARY INFORMATION: The FAA proposes to rule and invites public comment on the application to impose

and use the revenue from a PFC at Pellston Regional Airport of Emmet County under the provisions of the Aviation Safety and Capacity Expansion Act of 1990 (Title IX of the Omnibus Budget Reconciliation Act of 1990) (Public Law 101-508) and Part 158 of the Federal Aviation Regulations (14 CFR Part 158).

On February 21, 1996, the FAA determined that the application to impose and use the revenue from a PFC submitted by the County of Emmet was substantially complete within the requirements of section 158.25 of Part 158. The FAA will approve or disapprove the application, in whole or in part, no later than May 22, 1996.

The following is a brief overview of the application:

PFC Application No.: 96-04-C-00-PLN
Level of the proposed PFC: \$3.00
Proposed charge effective date: April 1, 1996
Proposed charge expiration date: May 31, 1997

Total estimated PFC revenue: \$27,600.00
Brief description of proposed project(s):
Expand automobile parking lot;
Rehabilitate automobile parking lot;
Rehabilitate Taxiway "B"; Install chain link fence.

Class or classes of air carriers which the public agency has requested not be required to collect PFCs: air taxis and charters.

Any person may inspect the application in person at the FAA office listed above under **FOR FURTHER INFORMATION CONTACT**.

In addition, any person may, upon request, inspect the application, notice and other documents germane to the application in person at the County of Emmet.

Issued in Des Plaines, IL, on March 5, 1996.

Benito De Leon,

*Manager, Planning/Programming Branch,
Airports Division, Great Lakes Region.*

[FR Doc. 96-5833 Filed 3-11-96; 8:45 am]

BILLING CODE 4910-13-M

Federal Railroad Administration

Notification of Funds Availability for Next Generation High-Speed Rail Corridor Studies

AGENCY: Federal Railroad Administration; Department of Transportation.

SUMMARY: Pursuant to the Department of Transportation and Related Agencies Appropriations Act for Fiscal Year 1996, (Public Law 104-50 (November 15, 1995)), the Federal Railroad Administration (FRA) has \$1 million in next generation high speed rail funds

available for grants to eligible participants for high speed rail corridor planning assistance, including preliminary engineering and operational analysis, and other planning activities. This notice sets forth the criteria by which FRA will make its selection of grant recipients. The FRA strongly supports the advancement of high-speed rail in congested corridors where it can be an important component of a balanced transportation system. Further, FRA believes the development or continuation of high-speed rail in specific corridors should be undertaken as a partnership of states, localities, and the private sector, with support from the Federal government. Pursuant to the Swift Rail Development Act of 1994, (Public Law 103-440 (November 2, 1994)), the Secretary may provide financial assistance to a public agency or group of public agencies for corridor planning for up to 50 percent of the publicly financed costs associated with eligible activities. Not less than 20 percent of the publicly financed costs associated with eligible activities shall come from State and local sources, which State and local sources may not include funds from any Federal programs.

CRITERIA FOR FUNDING: Eligible participants are encouraged to submit a request for this funding which addresses the following criteria:

1. The level of interest in the chosen corridor demonstrated by State, regional, and local governments and elected officials or other interested groups. Interest can be shown by the past and proposed financial commitments and in-kind resources of State and local governments and the private sector.

2. The extent to which the proposed planning focuses on systems which will achieve sustained speeds of 125 mph or greater.

3. The degree of integration of the corridor into metropolitan area and statewide transportation planning.

4. The potential interconnection of the corridor with other parts of the Nation's transportation system, including the interconnection with other countries.

5. The anticipated effect of the corridor on the congestion of other modes of transportation.

6. Whether the work to be funded will aid the efforts of State and local governments to enhance compliance with Federal environmental laws and regulations.

7. The estimated level of ridership and the estimated capital cost of corridor improvements, including the

cost of closing, improving, or separating highway-rail grade crossings.

8. Whether a specific route has been selected, specific improvements identified, and capacity studies completed, and whether the corridor has been designated as a high-speed rail corridor under Section 1010 of the Intermodal Surface Transportation Efficiency Act of 1991, Public Law 102-240 December 18, 1991).

ELIGIBLE PARTICIPANTS: Any state government, local government, organization of state and/or local governments, or any combination of such entities is eligible to apply for funding.

DEADLINE FOR REQUESTS FOR GRANT APPLICATIONS: Eligible participants desiring to apply for this funding, should notify FRA by letter, and FRA will respond initially by providing a standard grant application package. For priority consideration, FRA requests that the completed grant application packages be returned to the below address by June 30, 1996.

ADDRESSES: Applications should be submitted to: Honorable Jolene M. Molitoris, Administrator, Federal Railroad Administration, ATTN: RDV-11, 400 Seventh Street, S.W., Room 8206, Washington, D.C. 20590.

FOR FURTHER INFORMATION CONTACT: John F. Cikota at (202) 366-9332.

Issued in Washington, D.C. on March 5, 1996.

Jolene M. Molitoris,

Federal Railroad Administrator.

[FR Doc. 96-5821 Filed 3-11-96; 8:45 am]

BILLING CODE 4910-06-P

National Highway Traffic Safety Administration

Denial of Petition for a Defect Investigation

This notice sets forth the reason for the denial of a petition submitted to the National Highway Traffic Safety Administration (NHTSA) under 49 U.S.C. §30162(a)(2) (formerly section 124 of the National Traffic and Motor Vehicle Safety Act of 1966, as amended).

By letter dated July 26, 1995, R. David Pittle, Ph.D., Vice President and Technical Director of Consumers Union (CU), petitioned the Administrator of the National Highway Traffic Safety Administration (NHTSA) to investigate the Century Model 590 child safety seat. Dr. Pittle's request was based on testing conducted for CU by an independent testing facility that utilized the 20-pound test dummy included in the test

procedure for Federal Motor Vehicle Safety Standard (FMVSS) No. 213, "Child Restraint Systems," that is currently scheduled to take effect in September 1996. This report responds only to that portion of Dr. Pittle's letter which petitioned the National Highway Traffic Safety Administration (NHTSA) to begin an investigation to determine whether a product defect recall of the Century Model 590 should be instituted under the provisions of 49 CFR Part 577. Those issues concerning CU's petition seeking amendments to FMVSS No. 213 will be responded to separately.

Century was the first manufacturer to develop an infant/child restraint that snaps into a base that can be left in the car. The seat, the Model 590, was introduced in 1992. The seat base is secured to the vehicle seat with the vehicle seat belt and does not need to be unstrapped each time the child seat is removed from the vehicle. The Century 590 is designed to be used only in a rearward facing position by children less than 20 pounds in weight.

The Century 590 seat base fractured in three CU tests when used in the rearward facing position with the seat snapped into the base, where it is held by two spring-loaded latching pawls. This method of using the seat is preferred by many parents, as it is a much faster and more convenient method of placing the child seat into the vehicle compared to fastening and unfastening the vehicle seat belt. The seat can also be used without the provided base, by securing it directly to the vehicle with the seat belts. When secured in this manner, the seat successfully completed all the crash tests conducted for CU. The seat portion is equipped with a handle, so that the infant can be carried in the seat to and from the vehicle.

Under S7.1 of FMVSS No. 213 as currently in effect, a seat that is recommended by its manufacturer for use by children up to 20 pounds is tested in the rearward facing position in a 30 mph dynamic test using a "six-month-old" dummy that weighs 17 pounds. Among many performance requirements, S5.1.1(a) provides that the seat must "[e]xhibit no complete separation of any load bearing structural element" In addition, pursuant to S5.1.4, ". . . the angle between the system's back support surface for the child and the vertical shall not exceed 70 degrees."

During a FMVSS No. 213 test, the child restraint is secured with a conventional seat belt to a standard specified passenger seat, which is mounted on a dynamic test sled. The sled is subjected to an acceleration

equivalent to that experienced in a typical 30 mph frontal vehicle crash. This acceleration is commonly measured in units of g, each of which is equal to 32.174 feet per second squared (i.e., the acceleration of gravity). The shape of the curve depicting the g's over time during a dynamic test is referred to as the acceleration "pulse" of the sled.

S6 of FMVSS No. 213 specifies the velocity change and acceleration conditions for dynamic tests of child restraints. The velocity change shall be 30 mph with the acceleration of the test sled entirely within the curve shown in figure 2 of the FMVSS No. 213.

Depending on the type of sled and how the sled is calibrated, the magnitude of the peak acceleration and the duration of time the seat is subjected to the acceleration can vary. Even though the pulse differences in various sleds are usually very small and are recorded in increments of milliseconds (1/1,000 of a second), they can produce significantly different results. If a particular sled subjects the seat to higher peak g's or if the duration of time that g's are sustained is longer than that specified in FMVSS No. 213, then the sled test is considered to be a more "severe" test than that specified in FMVSS No. 213.

FMVSS No. 213 has been revised, and the revised requirements are currently scheduled to take effect on September 1, 1996 (petitions for reconsideration are currently pending). Under the revised version of S7.1, a seat that is recommended by its manufacturer for use by children in a range up to 10 kg (22 pounds) is tested with a "newborn" test dummy (7.5 pounds) and a 9-month-old test dummy (20-pounds).

The petitioner reported that when it tested Century Model 590 seats in the rearward-facing position with a 20-pound dummy at a speed of very slightly over 30 mph, with the seat mounted on the seat base, three of the seats tested exhibited fractures. In all three cases the base for the seat, which was belted onto the test sled with a conventional seat belt, fractured and the seat, which contained the dummy, was released from the base on one or both sides. This could create a serious problem, because in an actual collision the portion of the child restraint that holds the child could impact unfriendly portions of the vehicle's interior or allow the child to be ejected from the vehicle.

Century submitted numerous test results, the majority of which were characterized as tests on "Experimental" seats. In some of the tests, a 17-pound dummy was used,

although most used a 20-pound dummy. In the majority of the tests submitted, the seats passed FMVSS No. 213 requirements, although there were isolated failures.

One 1994 Model 590 seat was tested by the NHTSA Vehicle Research and Test Center (VRTC) in Marysville, Ohio, using a 17-pound dummy. Later tests also using a 17-pound dummy were conducted for NHTSA by Calspan Advanced Technology Center (Calspan), Buffalo, N.Y. In the test conducted in Marysville, Ohio (VRTC Test RCU-01—September 18, 1995) the base fractured on the right side and the seat back deflected more than the 70 degrees specified by FMVSS No. 213. However, the acceleration pulse curve fell slightly outside the pulse limits described in FMVSS No. 213.

Later tests of two seats conducted for NHTSA at Calspan (December 12, 1995) resulted in both seats passing the requirements of FMVSS No. 213. (Unlike the September 18, 1995 tests, these were conducted in accordance with all FMVSS No. 213 test procedures.)

Century reported that it had received no owner reports of failure in which the base cracked and a "catastrophic separation" of the safety seat from the base occurred. According to Century, this is the type of failure alleged in the CU petition. Century did, however, provide reports from owners and users of the subject seat who allege the seat separated from the base in collision situations.

NHTSA has reviewed all reported cases of the safety seat separating from the base, including those where the base fractured and those where the base released without fracture. NHTSA has received 9 reports of the Century seat separating from the base in collision situations. Century reported 7 additional incidents, although Century maintains these incidents are not identical to the CU test failures. Of these 16 reports, it is alleged that the base fractured in at least 5 of the collisions. In the other eleven collision reports, no information is included as to whether the base fractured or not. In 8 of the 16 reports, the separation of the seat from the base occurred when the vehicle was struck on the side.

In its petition, CU provided the agency with data indicating that the Century Model 590 seat may separate from its base when the acceleration or dummy weight exceeds the specifications of FMVSS No. 213. However, the seat successfully passed the tests that were conducted in strict conformance with the test procedures of FMVSS No. 213. It should be pointed

out that a review of tests involving the Century Model 590, in particular the VRTC test of September 18, 1995, suggests that the performance of some seats manufactured in 1994 may be marginal.

When a safety standard establishes minimum performance requirements for motor vehicles or items of motor vehicle equipment through the use of specific values for particular parameters, as is the case here, NHTSA does not consider performance failures at higher levels to, in themselves, demonstrate that a safety-related defect exists. Moreover, NHTSA has consistently taken the position that the fact that a vehicle or item of equipment would not comply with a newly-issued, more stringent safety standard, which was not in effect on the date the vehicle or equipment was manufactured, does not constitute evidence that the vehicle or equipment is defective. Thus, given the fact that the Century Model 590 appears to satisfy the performance requirements of FMVSS No. 213 when tested with a 17-pound test dummy utilizing a conforming acceleration pulse, its performance with heavier dummies or at higher test speeds and accelerations does not indicate the existence of a safety defect.

In consideration of the available information, there is no reasonable possibility that an order concerning the notification and remedy of a safety-related defect based on the petitioner's allegations would be issued at the conclusion of an investigation. Therefore, the petition has been denied. However, the information developed regarding the reported failures of Century Model 590 seats in actual vehicle collisions merits further analysis. NHTSA will, therefore, initiate a Preliminary Evaluation to further investigate the actual collision performance of this seat in side impact crashes, which are not covered by FMVSS No. 213 or any other Federal motor vehicle safety standard.

Authority: 49 U.S.C. 30162(a); delegations of authority at 49 CFR 1.50 and 501.8.

Issued on: March 6, 1996.

Michael B. Brownlee,
Associate Administrator for Safety Assurance.

[FR Doc. 96-5801 Filed 3-7-96; 10:36 am]

BILLING CODE 4910-59-P

Saint Lawrence Seaway Development Corporation

Advisory Board; Notice of Meeting

Pursuant to Section 10(a)(2) of the Federal Advisory Committee Act (Public

Law 92-463; 5 U.S.C. App. I) notice is hereby given of a meeting of the Advisory Board of the Saint Lawrence Seaway Development Corporation, to be held at 2:00 p.m., March 27, 1996, at the Corporation's Washington, DC office, 400 7th Street, SW., Suite 5424, Washington, DC 20590 via conference call. The agenda for this meeting will be as follows: Opening Remarks; Consideration of Minutes of Past Meeting; Review of Programs; Business; and Closing Remarks.

Attendance at meeting is open to the interested public but limited to the space available. With the approval of the Acting Administrator, members of the public may present oral statements at the meeting. Persons wishing further information should contact not later than March 20, 1996, Marc C. Owen, Advisory Board Liaison, Saint Lawrence Seaway Development Corporation, 400 Seventh Street, SW., Washington, DC 20590; 202-366-0091.

Any member of the public may present a written statement to the Advisory Board at any time.

Issued at Washington, DC on March 5, 1996.

Marc C. Owen,
Advisory Board Liaison.

[FR Doc. 96-5767 Filed 3-11-96; 8:45 am]

BILLING CODE 4910-61-M

DEPARTMENT OF VETERANS AFFAIRS

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Office of Management, Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: As part of its continuing effort to reduce paperwork and respondent burden, the Office of Management invites the general public and other Federal agencies to comment on this information collection. This request for comment is being made pursuant to the Paperwork Reduction Act of 1995 (Public Law 104-13; 44 U.S.C. 3506(c)(2)(A)). Comments should address the accuracy of the burden estimates and ways to minimize the burden including the use of automated collection techniques or the use of other forms of information technology, as well as other relevant aspects of the information collection.

DATES: Written comments and recommendations on the proposal for the collection of information should be received on or before May 13, 1996.

ADDRESSES: Direct all written comments to Ron Taylor, Office of Management (045A4), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420. All comments will become a matter of public record and will be summarized in the request for Office of Management and Budget (OMB) approval. This document solicits comments concerning the following information collection:

OMB Control Number: 2900-0548.

Title and Form Number: Voluntary Customer Surveys to Implement Executive Order 12862—Department of Veterans Affairs.

Type of Review: Extension of a currently approved collection.

Need and Uses: In compliance with Executive Order 12862, the Department of Veterans Affairs (VA) will continue to conduct a series of qualitative and quantitative information collections to determine the kind of services its direct and indirect customers want, as well as customer levels of satisfaction with existing services. The surveys will solicit voluntary opinions. They will not be used to collect information required to obtain or maintain eligibility for a VA program or benefit. Baseline data obtained through these information collections will be used to develop customer service standards. VA is requesting generic approval to conduct a series of information collections over the next 3 years.

Current Circumstances: VA conducts a variety of activities to implement the Executive Order. If these activities were not conducted, VA would be unable to comply with the Executive Order, and would not have the information needed to establish standards for the best possible customer-focused service. VA uses the information gathered to determine where and to what extent services are satisfactory, and where and to what extent they may be improved. The information collected may lead to policy changes to enhance or streamline VA's overall operations.

Affected Public: Individuals and households—Business or other for-profit-Not-for-profit institutions—State, Local or Tribal Government.

Estimated Annual Burden: 611,428 hours.

Estimated Average Burden Per Respondent: 30 minutes (average).

Frequency of Response: On occasion.

Estimated Number of Respondents: 305,714.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of collection of information proposal should also be directed to Department of Veterans Affairs, Attn:

Jacquie McCray, Information Management Service (045A4), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, Telephone (202) 565-8266 or FAX (202) 565-8267.

Dated: March 1, 1996.

By direction of the Secretary.

Donald L. Neilson,

Director Information Management Service.

[FR Doc. 96-5864 Filed 3-11-96; 8:45 am]

BILLING CODE 8320-01-P

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Office of Security and Law Enforcement, Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: As part of its continuing effort to reduce paperwork and respondent burden, the Office of Security and Law Enforcement invites the general public and other Federal agencies to comment on this information collection. This request for comment is being made pursuant to the Paperwork Reduction Act of 1995 (Public Law 104-13; 44 U.S.C. 3506(c)(2)(A)). Comments should address the accuracy of the burden estimates and ways to minimize the burden including the use of automated collection techniques or the use of other forms of information technology, as well as other relevant aspects of the information collection.

DATES: Written comments and recommendations on the proposal for the collection of information should be received on or before May 13, 1996.

ADDRESSES: Direct all written comments to Tanya Al-Khateeb, Office of Security and Law Enforcement (07C), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420. All comments will become a matter of public record and will be summarized in the request for Office of Management and Budget (OMB) approval. This document solicits comments concerning the following information collection:

OMB Control Number: 2900-0524.

Title and Form Number: VA Police Officer Pre-Employment Screening Checklist, VA Form 0120 (formerly VA Form 10-0120).

Type of Review: Reinstatement, without change, of a previously approved collection for which approval has expired.

Need and Uses: The form is needed to document the pre-employment screening process and special

background checks for applicants seeking employment as VA police officers.

Current Actions: It is the policy of VA that no person be employed as a VA police officer who has been convicted of a serious crime or whose history reflects a disregard for laws and regulations, questionable character, or a pattern of misconduct or poor work habits. Pre-employment screening for VA police officers and full verification of qualifications and suitability have been a long-standing policy. This form provides a record of the accomplishment of pre-employment vouchering following selection standards which serve as the VA's basic assurance that federal criminal law enforcement authority is granted cautiously and responsibly.

Affected Public: State, Local or Tribal Governments—Business or other for-profit—Federal Government.

Estimated Annual Burden: 250 hours.

Estimated Average Burden Per Respondent: 10 minutes.

Frequency of Response: Generally one-time.

Estimated Number of Respondents: 1,500.

FOR FURTHER INFORMATION CONTACT:

Requests for additional information or copies of the form should be directed to Department of Veterans Affairs, Attn: Ron Taylor, VA Clearance Officer (045A4), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, telephone (202) 565-4412 or FAX (202) 565-8267.

Dated: March 1, 1996.

By direction of the Secretary.

Donald L. Neilson,

Director Information Management Service.

[FR Doc. 96-5865 Filed 3-11-96; 8:45 am]

BILLING CODE 8320-01-P

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: National Cemetery System, Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: As part of its continuing effort to reduce paperwork and respondent burden, National Cemetery System (NCS) invites the general public and other Federal agencies to comment on this information collection. This request for comment is being made pursuant to the Paperwork Reduction Act of 1995 (Public Law 104-13; 44 U.S.C. 3506(c)(2)(A)). Comments should address the accuracy of the burden estimates and ways to minimize the

burden including the use of automated collection techniques or the use of other forms of information technology, as well as other relevant aspects of the information collection.

DATES: Written comments and recommendations on the proposal for the collection of information should be received on or before May 13, 1996.

ADDRESSES: Direct all written comments to Robert Kline, National Cemetery System (401A1), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420. All comments will become a matter of public record and will be summarized in the NCS request for Office of Management and Budget (OMB) approval. In this document NCS is soliciting comments concerning the following information collection:

OMB Control Number: 2900-0232.

Title and Form Number: Verification of Eligibility for Burial in a National Cemetery, VA Form 40-4962.

Type of Review: Extension of a currently approved collection.

Need and Uses: The information is used to verify and determine eligibility for burial in a national cemetery and to establish permanent records of interments.

Current Actions: Cemetery directors now collect the information via the Burial Operation Support System (BOSS). BOSS is an automated program used to verify and determine eligibility and replaces the need for the routine use of VA Form 40-4962. The next-of-kin (or veteran) may provide an honorable discharge document to a cemetery director which would accelerate the verification and determination procedure. However, a majority of the requests for burial are made by telephone, and primarily by a funeral director. Many times discharge documents are unavailable to the next-of-kin, funeral director, or person making the final arrangements. The necessary information needed to verify and determine eligibility is entered into BOSS by the cemetery director. The information collected also provides a means whereby other documents can be completed. Inscription data for headstones or markers, scheduling of interments, preparation for the number of attendees, honor, etc., are noted in BOSS to facilitate a burial. VA Form 40-4962 is a basic working document that is used during BOSS downtime to collect information and then supply input for required forms or permanent documents, and indicates action to be taken.

Affected Public: Individuals or households.

Estimated Annual Burden: 11,754 hours.

Estimated Average Burden Per Respondent: 10 minutes.

Frequency of Response: On occasion.

Estimated Number of Respondents: 70,522.

FOR FURTHER INFORMATION CONTACT:

Requests for additional information or copies of the form should be directed to Department of Veterans Affairs, Attn: Jacquie McCray Information Management Service (045A4), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, telephone (202) 565-8266 or FAX (202) 565-8267.

Dated: March 1, 1996.

By direction of the Secretary

Donald L. Neilson,

Director, Information Management Service.

[FR Doc. 96-5866 Filed 3-11-96; 8:45 am]

BILLING CODE 8320-01-P

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Veterans Health Administration, Veterans Affairs.

ACTION: Notice.

SUMMARY: As part of its continuing effort to reduce paperwork and respondent burden, Veterans Health Administration (VHA) invites the general public and other Federal agencies to comment on this information collection. This request for comment is being made pursuant to the Paperwork Reduction Act of 1995 (Public Law 104-13; 44 U.S.C. 3506(c)(2)(A)). Comments should address the accuracy of the burden estimates and ways to minimize the burden including the use of automated collection techniques or the use of other forms of information technology, as well as other relevant aspects of the information collection.

DATES: Written comments and recommendations on the proposal for the collection of information should be received on or before May 13, 1996.

ADDRESSES: Direct all written comments to Ann Bickoff, Veterans Health Administration (161A4), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420. All comments will become a matter of public record and will be summarized in the VHA request for Office of Management and Budget (OMB) approval. In this document VHA is soliciting comments concerning the following information collection:

OMB Control Number: None Assigned.

Title and Form Number: Survey of Health Promotion and Preventative Medicine, VA Form 10-21000(NR)

Type of Review: New collection.

Need and Uses: Congress has mandated that VA assess the rates that veterans are offered and receive critical health promotion and disease prevention services, and report these rates to Congress on an annual basis, Public Law 102-585. Existing data resources in VA are unable to provide complete documentation regarding receipt of those services. An annual mail survey is proposed to provide the necessary information.

Affected Public: Individuals and households.

Estimated Annual Burden: 5,777 hours.

Estimated Average Burden Per Respondent: 10 minutes.

Frequency of Response: Annually.

Estimated Number of Respondents: 51,900.

FOR FURTHER INFORMATION CONTACT:

Requests for additional information or copies of the form should be directed to Department of Veterans Affairs, Attn: Jacquie McCray, Information Management Service (045A4), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, Telephone (202) 565-8266 or FAX (202) 565-8267.

Dated: March 1, 1996.

By direction of the Secretary.

Donald L. Neilson,

Director,

Information Management Service.

[FR Doc. 96-5867 Filed 3-11-96; 8:45 am]

BILLING CODE 8320-01-P

Summary of Precedent Opinions of the General Counsel

AGENCY: Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: The Department of Veterans Affairs (VA) is publishing a summary of legal interpretations issued by the Department's General Counsel involving veterans' benefits under laws administered by VA. These interpretations are considered precedential by VA and will be followed by VA officials and employees in future claim matters. It is being published to provide the public, and, in particular, veterans' benefit claimants and their representatives, with notice of VA's interpretation regarding the legal matter at issue.

FOR FURTHER INFORMATION CONTACT: Jane L. Lehman, Chief, Law Library, Department of Veterans Affairs, 810

Vermont Avenue, NW., Washington, DC 20420, (202) 273-6558.

SUPPLEMENTARY INFORMATION: VA regulations at 38 CFR 2.6(e)(9) and 14.507 authorize the Department's General Counsel to issue written legal opinions having precedential effect in adjudications and appeals involving veterans' benefits under laws administered by VA. The General Counsel's interpretations on legal matters, contained in such opinions, are conclusive as to all VA officials and employees not only in the matter at issue but also in future adjudications and appeals, in the absence of a change in controlling statute or regulation or a superseding written legal opinion of the General Counsel.

VA publishes summaries of such opinions in order to provide the public with notice of those interpretations of the General Counsel that must be followed in future benefit matters and to assist veterans' benefit claimants and their representatives in the prosecution of benefit claims. The full text of such opinions, with personal identifiers deleted, may be obtained by contacting the VA official named above.

VAOPGCPREC 19-95

Question Presented: To what extent does the six-year limitation period imposed by 31 U.S.C. 3702(b) apply to claims resulting from nonnegotiation by the payee of checks drawn on veterans' benefit appropriations?¹

Held: The proceeds of uncashed veterans' benefit checks which have been canceled pursuant to the competitive Equality Banking Act of 1987 (CEBA), Pub. L. No. 100-86, 101 Stat. 552, are not payable unless a claim for them is made within six years after the claim accrues, as required by the Barring Act, ch. 788, 54 Stat. 1061 (1940) (codified, as amended, at 31 U.S.C. 3702(b)), regardless of whether the benefit checks were drawn on veterans' benefit appropriations. Claims based on checks which have been lost, stolen, paid on a forged endorsement, or were never received, and which have been canceled under the CEBA, must also be presented within the six-year period specified by section 3702(b). Section 3702(b) is not applicable, however, to a claim made to VA under 38 U.S.C. 5122 by a payee's surviving spouse, child, dependent parent, or person who bore the expense of the payee's last sickness and burial, as

¹ The Department of Veterans Affairs' (VA's) appropriation accounts identified in the request for opinion are 36X0102 (compensation and pension), 36X0137 (readjustment benefits), and 36X4023-25 and 36X4125-30 (loan guaranty).

specified in 38 U.S.C. 5121(a), for payment of sums represented by a check received by the payee but not negotiated before the payee's death. Instead, 38 CFR 3.1003(a)(1), which states that there is "no time limit for filing a claim to obtain the proceeds" of a check issued to a payee who died prior to negotiating the check, is controlling for claims made under section 5122.

Effective Date: July 12, 1995.

VAOPGCPREC 20-95

Question Presented: Under what circumstances must an examiner review a veteran's medical records prior to conducting a rating examination for compensation and pension purposes?

Held: Pursuant to the statutory duty under 38 U.S.C. 5107(a) to assist a claimant in the development of facts pertinent to a claim, and the decisions of the Court of Veterans Appeals interpreting that duty, a Department of Veterans Affairs examiner must review a claimant's prior medical records when such review is necessary to ensure a fully informed examination or to provide an adequate basis for the examiner's findings and conclusions. However, such review may not be necessary in all cases. The determinations as to whether review of prior medical records is necessary in a particular case depends largely upon the scope of the examination and the nature of the findings and conclusions the examiner is requested to provide.

Effective Date: July 14, 1995.

VAOPGCPREC 21-95

Question Presented: Must a recipient of Department of Veterans Affairs (VA) benefits who has been notified of waiver rights upon adjudication of an overpayment be notified of such rights again when an additional overpayment is established based on a separate and distinct transaction?

Held: A recipient of VA benefits who has been notified of his or her right to request a waiver of indebtedness arising from an overpayment of such benefits must again be notified of waiver rights when an additional overpayment is established based on a separate and distinct transaction.

Effective Date: August 24, 1995.

VAOPGCPREC 22-95

Questions Presented: a. What is the Department of Veterans Affairs' (VA's) responsibility concerning the direct payment of attorney fees from past-due benefits in cases where representation occurs solely before the Court of Veterans Appeals (CVA) and secondary benefits are determined to be payable?

b. (1) Must VA notify an attorney who no longer represents a claimant, and whose fee agreement does not call for direct payment of fees by VA, that past-due benefits are payable so that the attorney can pursue collection of a fee?

(2) Must VA pay attorney fees from past-due benefits when the attorney claiming entitlement to direct payment of fees no longer represents the claimant?

(3) Must VA pay attorney fees from past-due benefits when the attorney claiming the fee represented the claimant for only part of the time the claim was pending before the CVA?

Held: a. In cases where attorney representation is limited to proceedings before the CVA, VA is authorized to make direct payment of attorney fees from past-due secondary benefits if the CVA awards the secondary benefits, the fee agreement covers the secondary benefits, and the fee agreement complies with the provisions of 38 U.S.C. 5904(d)(3) and 38 CFR 20.609(h) (i)-(iii).

b. (1) Absent the claimant's written consent, VA has no authority to inform an attorney who is not seeking direct payment of attorney fees from VA, and no longer represents the claimant, that his or her former client will be receiving a future payment of past-due benefits.

(2) VA may directly pay attorney fees, to an attorney who represented a claimant during a CVA appeal, but no longer represents the claimant, if the statutory and regulatory prerequisites for direct payment of fees are met and the fee agreement provides for direct payment.

(3) VA's obligation to pay attorney fees when the attorney fee agreement was only in place for part of the time the case was pending before the CVA is dependent upon the terms of the fee agreement and whether the statutory and regulatory prerequisites for direct payment of attorney fees have been met.

Effective Date: September 28, 1995.

VAOPGCPREC 23-95

Question Presented: Under what circumstances do residential rehabilitation services provided to a veteran in a private facility at Department of Veterans Affairs (VA) expense constitute hospital treatment or institutional or domiciliary care furnished by the United States for purposes of the \$1,500 estate limitation of 38 U.S.C. 5503(b)(1)(A) and 38 CFR 3.557(b)?

Held: The provisions of 38 U.S.C. 5503(b)(1)(A) and 38 CFR 3.557(b) generally require withholding of compensation and pension payments from incompetent veterans with estates

in excess of \$1,500 who have neither a spouse nor child and who are being furnished hospital treatment or institutional or domiciliary care by the United States or any political subdivision thereof. The terms of the statute and regulation encompass services provided by a private facility at government expense. Determination of whether the services provided to a particular veteran by a private facility fit any of the statutory categories of hospital treatment or institutional or domiciliary care requires an examination of the veteran's files to determine the nature and purpose of the services. With regard to hospital treatment, an assessment should be made as to whether the facility may be considered an institution the purpose of which is to provide medical and surgical care to sick, injured, or infirm persons and whether the veteran received such care at the institution. In the case of institutional care, a determination should be made whether the facility may be considered a charitable or public establishment which had custody of the veteran and which provided supervision or management of the veteran, having assumed responsibility for the veteran's well being. Finally, with respect to domiciliary care, the same factors concerning custody and supervision would be relevant. In addition, an assessment should be made concerning the permanence of the veteran's residence at the facility and whether the medical services provided the veteran were consistent with those generally associated with a domiciliary facility.

Effective Date: October 5, 1995.

VAOPGCPREC 24-95

Questions Presented: a. Are the provisions of 38 CFR 3.557 and 3.853 applicable in cases where a veteran has alleged but failed to establish the existence of a spouse or child, or, for section 3.853 purposes, a dependent parent, and is therefore being paid as a veteran without dependents?

b. Does the failure of a veteran to comply with the Department of Veterans Affairs' (VA) request pursuant to 38 CFR 3.216 for the social security number of a spouse, child, or dependent parent upon whom the veteran relies to avoid the application of 38 CFR §§ 3.557 or 3.853 require VA to terminate benefit payments to the veteran?

Held: a. Where the other statutory criteria have been met and it has not been established by satisfactory evidence that a veteran has a spouse or child, the provisions of 38 U.S.C. 5503(b)(1)(A), as implemented by 38 CFR 3.557, requiring discontinuance of

compensation or pension payments to an incompetent veteran having neither spouse nor child, institutionalized at government expense, and having an estate of \$1,500 or more, are applicable. Where the other criteria have been met and it has not been established that a veteran has a spouse, child, or dependent parent, the provisions of former 38 U.S.C. 5505, as implemented by 38 CFR 3.853, requiring discontinuance of compensation payments to an incompetent veteran having neither spouse, child, nor dependent parent and having an estate in excess of \$25,000, are applicable.

b. The provisions of 38 U.S.C. 5101(c), as implemented by 38 CFR 3.216, require any person who applies for or is in receipt of compensation or pension to furnish VA upon request with their social security number and that of any dependent on whose behalf, or based upon whom, benefits are sought or received. Failure of a veteran to supply the social security number of a spouse, child, or, in the case of former section 5505, dependent parent upon whom the veteran relies to avoid the application of 38 U.S.C. 5503(b)(1)(A) or former 38 U.S.C. 5505 would be grounds for termination of benefits pursuant to 38

U.S.C. 5101(c)(2), which requires termination of benefits for failure to comply with a request for a social security number.

Effective Date: October 27, 1995.

VAOPGCPREC 25-95

Question Presented: Does application by the Board of Veterans' Appeals (BVA or Board) of a subsequently-invalidated regulation constitute "obvious error" and provide a basis for reconsideration of the Board's decision?

Held: The Board's application of a subsequently-invalidated regulation in a decision does not constitute "obvious error" or provide a basis for reconsideration of the decision.

Effective Date: December 6, 1995.

VAOPGCPREC 26-95

Question Presented: May the Secretary (1) guarantee a loan; or (2) approve a Specially Adapted Housing grant for an otherwise eligible veteran to purchase a residence when title to the property will be held in a Family Living Trust?

Held: 1. An otherwise qualified veteran may obtain a VA guaranteed housing loan where the title to the property will be held in a Family Living

Trust that ensures the veteran, or veteran and spouse, an equitable life estate, provided the lien attaches to any remainder interest and the trust arrangement is valid under State law and title is otherwise generally acceptable to lenders, attorneys, title companies, and informed buyers in the community where the property is located. The initial decision regarding validity of the lien and trust arrangement under State law may be made by the lender, subject to VA's right to adjust the claim under 38 CFR 36.4325 if the lien proves not to be valid.

2. Due to current regulations, the Family Living Trust arrangement will not provide the veteran with sufficient ownership interest in the unit to qualify for a Specially Adapted Housing grant.

3. The Secretary is urged to consider amending the regulations to specifically address Living Trusts in both the loan and grant programs.

Effective Date: December 15, 1995.

By Direction of the Secretary.

Mary Lou Keener,

General Counsel.

[FR Doc. 96-5863 Filed 3-11-96; 8:45 am]

BILLING CODE 8320-01-M

Executive Order

Tuesday
March 12, 1995

Part II

Postal Service

39 CFR Part 111

Classification Reform; Implementation
Standards; Final Rule

POSTAL SERVICE**39 CFR Part 111****Classification Reform; Implementation Standards****AGENCY:** Postal Service.**ACTION:** Final rule; request for comments.

SUMMARY: This final rule sets forth the Domestic Mail Manual (DMM) standards adopted by the Postal Service to implement the Decision of the Governors of the Postal Service in Postal Rate Commission Docket No. MC95-1, Classification Reform I, and requests further comments on some aspects of those standards.

DATES: The final rule is effective on July 1, 1996. Comments as allowed herein must be received on or before March 27, 1996.

ADDRESSES: Mail or deliver written comments to the Manager, Customer Mail Preparation, USPS Headquarters, 475 L'Enfant Plaza SW, Washington, DC 20260-2405. Copies of all written comments will be available for inspection and photocopying between 9 a.m. and 4 p.m., Monday through Friday, in Room 6830 at the above address.

FOR FURTHER INFORMATION CONTACT: Leo F. Raymond, (202) 268-5199, concerning the DMM standards, or Lynn Martin, (202) 268-6351, concerning the comments analysis.

SUPPLEMENTARY INFORMATION: On March 24, 1995, pursuant to its authority under 39 U.S.C. 3621, *et seq.*, the Postal Service filed with the Postal Rate Commission (PRC) a request for a recommended decision on a number of mail classification reform proposals (Classification Reform). The PRC designated the filing as Docket No. MC95-1. The PRC published a notice of the filing, with a description of the Postal Service's proposals, on April 3, 1995, in the Federal Register (60 FR 16888-16893).

On June 29, 1995, the Postal Service published for public comment in the Federal Register an advance notice of proposed rulemaking (60 FR 34056-34069). That notice included an overview of the Postal Service's proposals in MC95-1, the process that was used in developing them, and the process being used to prepare for implementation of Classification Reform and to begin development of the Domestic Mail Manual (DMM) implementing standards. The notice also contained detailed information about issues that had been identified for

consideration in the implementation process, presented in a format that paralleled the Domestic Mail Classification Schedule (DMCS) changes proposed in the MC95-1 filing. Many of those implementation issues had been developed with the advice of the Classification Reform Implementation Advisory Groups (IAGs) convened by the Postal Service as part of the process described in the notice. The advance notice requested comments on the criteria under consideration for inclusion in proposed DMM implementing standards. Readers who are unfamiliar with the content of the Postal Service's MC95-1 filing or the implementation process should review the June 29 notice.

On August 30, 1995, the Postal Service published for public comment in the Federal Register a second advance notice of proposed rulemaking (60 FR 45298-45323). The second notice reported a summary of the comments received in response to the first notice and invited further comment from interested parties on updated proposed implementing standards and on the implementation process generally. Readers were advised that, following review of comments received in response to the second notice, the Postal Service would revise its proposed implementation criteria as appropriate and would use those criteria as the basis for the DMM standards it would propose for adoption if the Classification Reform proposals requested by the Postal Service in PRC Docket No. MC95-1 were adopted.

On December 22, 1995, the Postal Service published for public comment in the Federal Register a proposed rule (60 FR 66582-66703) that summarized and responded to comments received from the August notice; offered extensive details about contents of the proposed rule that were new or modified compared to the earlier notices and assessed their possible impact on the mailing community; offered simplified charts to illustrate proposed mail preparation standards; supplied an estimated list of 5-digit ZIP Codes affected by one of its proposals; and concluded with a complete listing of changes to the standards in the DMM that it proposed to adopt if the Classification Reform proposals requested by the Postal Service in PRC Docket No. MC95-1 were recommended by the PRC and approved by the Governors of the Postal Service.

Pursuant to 39 U.S.C. 3624, on January 26, 1996, the PRC issued its Recommended Decision on the Postal Service's Request to the Governors of the Postal Service. The PRC

recommended revisions to some of the mail classification structure and rates requested by the Postal Service. Based on an extensive analysis of the PRC's Recommended Decision and deliberation as to its consequences to the Postal Service and its customers, and pursuant to 39 U.S.C. 3625, the Governors acted on the PRC's recommendations on March 4, 1996. Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on Classification Reform I, Docket No. MC95-1. With the exception of the PRC's separate courtesy envelope mail and bulk parcel post proposals, the Governors determined to approve the PRC's recommendations, and the Board of Governors set an implementation date of July 1, 1996, for those rate and classification changes to take effect. A notice announcing the Governors' Decision and the issuance of final Domestic Mail Classification Schedule and Rate Schedule changes is published elsewhere in this issue of the Federal Register.

This final rule contains the DMM standards adopted by the Postal Service to implement the Governors' decision. Except as specifically noted below, the revised DMM standards will take effect on July 1, 1996.

In its testimony before the PRC, the Postal Service presented extensive evidence concerning the prudence and necessity of certain fundamental changes it was seeking to cause or facilitate in the mailstreams it processes. Most if not all of those changes were not founded in a particular rate or classification scheme, although the Postal Service considered that the incentives offered in its requested structure make it easier for customers to accept or benefit from those changes. Many components of the proposed rule reflected basic operational and network changes designed to improve the Postal Service's ability to encourage, manage, and benefit from automated mail, to improve mailflow, and to focus processing activities at a redesigned matrix of node facilities. As a result, despite the differences between the Postal Service's Request and the PRC's recommendation which the Governors have approved, the value and efficacy of those elements of the proposed rule related to mail quality, preparation, automation, and equipment and network utilization remain undiminished. As a result, the content of the proposed rule has been adopted as a final rule except as described below to correct factual or typographical errors, respond to comments received, or align with the rate and classification

structure recommended by the PRC and approved by the Governors.

Because the PRC's Recommended Decision, as approved by the Governors, made significant changes to the mail classification structure requested by the Postal Service, adaptation of the proposed rule to the final structure has been necessitated in the final rule. Most of these changes are a direct consequence of the difference between the rate and classification changes proposed by the Postal Service and those recommended by the PRC and approved by the Governors. These were matters at issue in the PRC proceeding and, as such, are not subject to review or adjustment in this rulemaking. To the extent this final rule establishes further standards that were not previously published for public comment, the Postal Service has determined to seek and consider additional input from customers. This further opportunity for public comment is limited to matters that are newly introduced in the final rule, that do not result from the difference in recommended rate and classification provisions, and that are significant in their impact on customers compared with what was proposed in the proposed rule. The provisions for which comments are solicited are:

1. New standards applied to Periodicals that are similar to those adopted in this final rule for First-Class and Standard Mail:

- a. All pieces in an automation rate mailing must be delivery point barcoded.

- b. Presort and other preparation standards, including a 150-piece minimum for preparing trays of automation rate letter-size mail.

- c. 5-digit ZIP Codes used in the addresses on nonautomation rate Periodicals must be verified annually for accuracy; mailers must certify this at the time of mailing.

- d. Letter-size reply envelopes and cards enclosed in automation rate pieces must meet specific standards for automation-compatibility; mailers must certify this at the time of mailing.

2. Standards for documentation produced by Presort Accuracy Validation and Evaluation (PAVE) certified software and for standardized documentation produced otherwise. These standards are presented in P012, below; examples of documentation are also presented as part of this notice.

After considering the potential impact of these provisions, the Postal Service has determined to allow 15 days for public comment. Although a longer comment period is usually provided, the Postal Service concluded that a 15-day comment period was warranted in

this case for two reasons. First, the list of provisions on which comment is sought is limited and straightforward. Mailers should have little difficulty evaluating the impact of these provisions on their operations and preparing comments in a short time period. Second, the Postal Service wants to ensure that mailers have sufficient time after the close of the comment period and publication of any possible revisions to this final rule to make the necessary changes to their operations before the July 1, 1996 implementation date. After review of the comments received, the Postal Service will modify the corresponding standards if such modification is determined to be appropriate.

Part A of this notice summarizes major changes that have been made to or added to the proposed implementation standards since the proposed rule. Part B provides an analysis of comments received on the proposed rule and the Postal Service responses. Part C shows examples of standardized documentation that would be generated under the standards shown below. Part D summarizes the changes to the DMM, followed by the text of the revised DMM standards.

A. Major Changes and Additions Since the December 22 Proposed Rule

This section identifies additions and changes to the final DMM mailing standards that were not part of the proposed rules published on December 22.

1. Marking Standards

Marking standards have been revised to allow mailers to continue to use "Presorted First-Class" and "Bulk Rate" markings as class of mail markings for presorted First-Class and Standard Mail. These markings must appear in the postage area on mailpieces. Additional mailing or rate specific markings are also required. This change will allow mailers to continue to use existing envelope stock, precanceled stamps, and meter slugs.

2. Postage Payment

Revisions have been made to postage payment standards to allow mailers to affix metered postage to all the pieces in a mailing job at the lowest rate that applies to any presorted mailing contained in the mailing job.

3. Value Added Refund

The proposal that would have required all pieces in a value added refund (VAR) mailing to have postage affixed at an automation rate has been removed. First-Class mailpieces bearing

postage at Presorted First-Class rates will be acceptable for inclusion in automation First-Class VAR mailings, and Standard Mail pieces bearing postage at presorted nonautomation Regular rates will be acceptable for inclusion in automation Standard Mail VAR mailings.

4. Minimum Quantity Per Mailing

In accordance with the Domestic Mail Classification Schedule standards approved by the Governors, separate 500-piece minimum quantity per mailing standards have been established for mailings of cards in addition to those which apply to letters. Mailers may continue to combine comparably prepared letters and cards in the same mailings if the separate minimums are met and additional postage payment and documentation standards are met.

5. Postage Statements

Mailing statements have been renamed postage statements to clarify the new standards that will allow all mailings submitted for verification as part of the same mailing job to be reported on a single postage statement.

6. Slewing and Banding

The proposed slewing and banding standards for trayed letter mail have been modified. There will be no exceptions to slewing. Exceptions to strapping of local mail have been extended to allow such exceptions for mail entered and delivered within the service area of the SCF serving the entry post office if approved by local management. The proposal had limited this exception only to mail entered and delivered within the service area of the facility where the mail was entered. The DMM palletization standards have been modified to make it clear that only trayed mail on stretchwrapped 5-digit, 3-digit, and SCF pallets are exempt from tray-strapping.

7. Packaging Material

The proposal has been removed that required use of only rubber bands to prepare packages within automation letter mailings. Upon implementation of Classification Reform, mailers may continue to prepare these packages using either rubber bands, elastic strapping, plastic strapping or string. However, the Postal Service plans to require use of rubber bands or elastic strapping for automation mailings at a future date and will work with mailers on the timing of this standard.

8. *Courtesy Reply Mail in Automation Mailings*

The standards have been revised concerning courtesy envelope and business reply mail enclosed in pieces mailed at First-Class or Standard Mail automation rates. The final rule also applies these standards to automation Regular Periodicals. The proposal indicated that the enclosed reply pieces must all bear a delivery point barcode, in addition to being automation-compatible and bearing a FIM. Under the final rule, the barcode standards have been revised to indicate that ZIP+4 barcodes are required for business reply mail and that courtesy reply mail must bear the correct delivery point barcode for the delivery address as defined by the Postal Service. Unique 5-digit and ZIP+4 barcodes provided by the Postal Service for use with courtesy reply mail will be considered valid delivery point barcodes for purposes of meeting this standard. In addition, the final rule requires that the enclosed reply mail pieces meet the barcode preparation standards in DMM C840. The standards concerning reply mail enclosed in First-Class, Standard Mail and Periodicals automation rate mailings are effective January 1, 1997. Comments are permitted on the extension of this requirement to Periodicals.

9. *3-Digit Schemes for Automation Letters*

Use of 3-digit scheme sort will be required for automation letters. This standard will allow mailers to obtain the finest discount level and the Postal Service to receive mail presorted to the finest extent possible.

10. *Grouping of Pieces in AADC Trays*

Within mixed AADC trays in automation and upgradable letter mailings, the proposed standard to group pieces in those trays by both AADC, and within each AADC group, by 3-digit ZIP Code has been modified. Mail in these mixed AADC trays will be required to be grouped only by AADC area.

11. *Specific Use of 1-Foot and 2-Foot Trays*

The traying standards for proper use of appropriate 1-foot and 2-foot trays have been clarified to specify the type of tray that must be used when mailers have a quantity of mail for a tray sortation level that exceeds the physical capacity of a 1-foot tray, but is less than the minimum quantity for a full 2-foot tray. For automation and upgradable mailings of other than card-size pieces, the Postal Service would like the fewest number of packages (which are only

prepared in less-than-full trays). For these mailings, when the mail remaining after filling all possible 2-foot trays exceeds the physical capacity of a 1-foot tray, but is less than the minimum quantity for a full 2-foot tray, mailers must place this mail in two 1-foot trays (a full 1-foot tray (without packaging) and a less-than-full 1-foot tray (with packaging)). For nonautomation mailings and for automation and upgradable mailings consisting entirely of card-size pieces, which are prepared in banded packages, the Postal Service would like to receive the fewest number of trays. Therefore for nonautomation mailings, when the mail remaining after filling all possible 2-foot trays exceeds the physical capacity of a 1-foot tray, but is less than the minimum quantity for a full 2-foot tray, mailers must place this mail in a single less-than-full 2-foot tray.

12. *Less-Than-Full 3-Digit Trays*

Modification has been made to the proposed standard to tray all mail for the 3-digit ZIP Codes served by the SCF of the entry post office to at least the 3-digit level. These rules now apply only to the SCF that serves the post office where the mailing is verified.

13. *Modification to ADC Lists*

The ADC list in proposed DMM L004 has been modified to provide for some class-specific differences in labeling. In addition, separate ADC and Mixed ADC labeling lists for Standard Mail irregular parcels have been added as DMM L603 and L604.

14. *Mixed ADC and AADC Tray Destinations for First-Class Mail*

Mixed ADC and mixed AADC trays in First-Class mailings will be labeled to the SCF that serves the entry post office rather than to the 3-digit ZIP Code of the entry post office.

15. *Qualification of AADC and ADC Sort Levels for BMC Destination Entry Discounts*

Eligibility for destination BMC discounts for Standard Mail prepared in AADC trays and ADC trays, sacks, and packages on pallets has been clarified. The entire contents of these trays, sacks, or packages placed on pallets may receive a DBMC discount, provided that the ZIP Code in the top line of the tray or sack label, (or the ZIP Code assigned to the ADC in L004 for the package) is in the service area of the BMC at which the tray, sack, package on a pallet, is entered.

16. *Revisions to Barcoded Tray Label Specifications*

The effective date for the standard to use barcoded tray and sack labels for mailings at automation First-Class, automation Standard, and automation Periodicals rates has been changed to January 1, 1997.

17. *Revisions to Specifications for Mailer Prepared Tray and Sack Labels*

Adjustments and corrections have been made to the specifications in DMM M032 concerning mailer-prepared tray and sack labels, including barcoded labels. Mailers at all classes and rates are also reminded that effective July 1, 1996, tray, sack, and pallet labels used with their mailings must be revised to reflect the network changes, changes to the names of the classes of mail, and other labeling changes that will go into effect with these final DMM rules.

18. *Enhanced Carrier Route Rates*

Separate letter and nonletter rates have been established by the Governors for the Standard Enhanced Carrier Route subclass. In addition, the automation carrier route rate proposed under a separate automation subclass has been recommended by the PRC and approved by the Governors as an automation Enhanced Carrier Route rate. Accordingly, automation Enhanced Carrier Route mailings must meet a separate minimum quantity requirement from mail at automation Regular Standard rates, and will be subject to the minimum per piece weight breakpoint for the Enhanced Carrier Route subclass.

19. *Palletization of Mail Meeting Both Letter-Size and Automation Flat-Size Standards*

In the proposed rule, the Postal Service proposed an exception that would allow certain letter-size mail to be prepared as packages on pallets. Under this exception, mailers of pieces that meet both the letter and automation flats dimensions, and who mail a portion of their mailing job at the automation flats rates, would be permitted to prepare the entire mailing job (i.e., Enhanced Carrier Route, automation Regular, and nonautomation Regular mailings) as packages on pallets, provided the nonautomation Regular portion was 10% or less of the total pieces mailed at the Enhanced Carrier Route and automation Regular rates, and flat rates (non-letter rates) were paid on all pieces. The final rule will provide for this exception, but only until January 1, 1997. Beginning January 1, 1997, the Enhanced Carrier Route and nonautomation Regular portions of

mailing jobs of pieces that meet the definition of letter-size mail will be required to be trayed. Preparation of trays on pallets is preferred. This is consistent with the Postal Service's need to have all letter mail prepared in trays, and is discussed further in the section discussing comments.

20. Periodicals

The proposed Publications Service subclass of Periodicals was not recommended to the Governors by the Postal Rate Commission. Instead revised rates for Regular Periodicals were recommended. These changes to Periodicals have been accepted by the Governors. As a consequence, the Postal Service has determined to modify the mail preparation and quality standards for entry at the Regular Periodicals rates. The standards set forth in this notice are final rules. Because many of these standards were not applied to all Periodicals mailers in the proposed rule, the Postal Service will permit comments on these standards.

Unlike the proposed rule, there are no rates and corresponding preparation standards for automation carrier route mail; only mail sorted to 5-digit and unique 3-digit ZIP Code packages, trays, and sacks may qualify for applicable 3/5 rates; and zone rates apply only to advertising pounds. Like the proposed rule, optional city will no longer be a sortation level, and SDC, State, and Mixed States sortation levels have been replaced with the appropriate ADC and mixed ADC or AADC and mixed AADC sortation levels.

a. Regular Periodicals Automation Rate Mailings

(1) *Letter-Size Pieces*. Mailings must be presorted under standards similar to automation First-Class and Standard mailings. There is no automation carrier route mail preparation or rate. Mailers must sort mail to required 5-digit, required unique 3-digit, required 3-digit/scheme, and required AADC trays, using a 150-piece minimum at each tray level. Remaining mail is trayed to mixed AADC trays. Only mail in 5-digit and unique 3-digit trays is eligible for 3/5 automation Regular Periodicals per-piece rates. Mail in 3-digit/scheme, AADC, and mixed AADC trays qualifies for basic automation per-piece rates. Both 1-foot and 2-foot tray sizes must be used as appropriate.

Mailings must be 100% delivery point barcoded. Addresses must be matched semi-annually using CASS-certified software and a current AIS database. Barcoded tray labels will be required effective January 1, 1997. Use of PAVE-certified software or standardized

documentation will be required effective January 1, 1997. Enclosed courtesy and business reply mail envelopes will be required to be automation-compatible and prepared with barcodes and FIM marks effective January 1, 1997.

(2) *Flat-Size Pieces*. Firm and carrier route packages cannot be part of an Automation flats mailing. Mailers must prepare packages of 6 or more pieces to 5-digit, 3-digit, ADC and mixed ADC destinations and place them in 5-digit, 3-digit, ADC and mixed ADC sacks or on the appropriate level of pallet. Only pieces in 5-digit and unique 3-digit sacks (or in 5-digit and unique 3-digit packages placed on pallets), are eligible for the 3/5 automation Regular Periodicals per-piece rates. Pieces in non-unique 3-digit, ADC and mixed ADC sacks (and non-unique 3-digit, ADC and mixed ADC packages placed on pallets) will qualify for basic Automation per-piece rates. Mailings must be 100% ZIP+4 or delivery point barcoded. Addresses must be matched semi-annually using CASS-certified software and a current AIS database. Barcoded sack labels will be required effective January 1, 1997. Use of PAVE-certified software or standardized documentation will be required effective January 1, 1997. Enclosed courtesy and business reply mail envelopes will be required to be automation-compatible and prepared with barcodes and FIM marks effective January 1, 1997.

b. Nonautomation Mailings

(1) *Letters*. Mail must be prepared in trays. Both 1-foot and 2-foot trays must be used as appropriate. Firm packages are permitted and receive rates based on current criteria. Six-piece or larger carrier route packages must be placed in carrier route trays when there are at least 24 pieces for the tray, but trays with as few as one 6-piece package are acceptable. Remaining carrier route packages are placed in 5-digit carrier routes trays. Six-piece or larger 5-digit, 3-digit, ADC, and mixed ADC packages are prepared and must be placed in 5-digit, 3-digit, and ADC trays whenever there are at least 24 pieces for one of those tray destinations. Trays with as few as one 6-piece or larger package may be prepared. Remaining packages are placed in mixed ADC trays. Only mail in 5-digit or unique 3-digit trays qualifies for 3/5 nonautomation Regular Periodicals per-piece rates. Mail in non-unique 3-digit, ADC and mixed ADC trays qualifies for basic per-piece rates. The carrier route portion must be matched using CASS-Certified software to a current CRIS file or other AIS

product containing carrier route codes, within 90 days prior to the date of mailing. No sequencing is required for basic carrier route rates. High Density and Saturation rate mail must be prepared in carrier walk sequence using a current USPS DSF or CDS file or other USPS sequencing service within 90 days prior to the date of mailing. Effective October 1, 1996, 5-digit ZIP Codes in each address in the non-carrier route portion of the mailing must have been verified and corrected within 12-months prior to the date of mailing by a USPS approved method.

(2) *Nonautomation Flats*. Mail is sorted according to current DMM issue 49 standards except that there must now be a minimum of one 6-piece package in each sack other than a mixed ADC sack; the optional city package and sack level has been eliminated; and SDC, state, and mixed states packages and sacks have been replaced with ADC and mixed ADC packages and sacks. Only mail in 5-digit or unique 3-digit sacks (or in 5-digit or unique 3-digit packages on pallets) qualifies for 3/5 nonautomation Regular Periodicals per-piece rates. Mail in non-unique 3-digit, ADC, and mixed ADC packages and sacks qualifies for basic per-piece rates. The carrier route portion must be matched using CASS-Certified software to a current CRIS file or other AIS product containing carrier route codes, within 90 days prior to the date of mailing. No sequencing is required for basic carrier route rates. High Density and Saturation rate mail must be prepared in carrier walk sequence using a current USPS DSF or CDS file or other USPS sequencing service within 90 days prior to the date of mailing. Effective October 1, 1996, 5-digit ZIP Codes in each address in the non-carrier route portion of the mailing must have been verified and corrected within 12-months prior to the date of mailing by a USPS approved method.

21. Submission of Form 3553

A standard to submit a Form 3553, CASS Report, with automation carrier route First-Class, automation and nonautomation Enhanced Carrier Route Standard, and carrier route Regular Periodicals has been added to the final DMM standards. Submission of this report with each mailing will document that the addresses in these mailings were matched to a current database using CASS certified software within 90 days prior to the date of mailing. Mailings at carrier route Nonprofit Standard and carrier route Preferred Periodicals rates will not be required to be accompanied by a Form 3553 because the standard for use of CASS

certified address matching software will not apply to mailings at these rates (although the standard to update their carrier route information within 90 days prior to the date of mailing using a current database will apply). Comments will be accepted on the application of these rules to Regular Periodicals.

B. Summary of Comments From the December 22 Proposed Rule

The Postal Service received 64 pieces of correspondence offering comments on the December 22 proposed rule. Respondents included major mailer associations, individual publishers, printers, presort bureaus, and mailers.

The specific points raised in the comments are presented below, organized by general comments and then by letters, flats, Periodicals and addressing.

1. General Comments

a. Change in Name of Third-Class and Fourth-Class Mail to Standard Mail

Three comments were received regarding the change in name of third- and fourth-class mail to Standard Mail.

The Postal Service proposed, as part of Classification Reform, that mail matter currently designated as third-class and fourth-class be combined into a new single Standard Mail class. This change was not opposed in the Postal Rate Commission (PRC) proceeding and has been recommended by the PRC and approved by the Governors.

The Postal Service will be publishing information on the name change in the Postal Bulletin and has other planned communication events and publications to raise the awareness level of all mailers and the general public of this change and the other changes needed to implement Classification Reform.

b. Format of Final Mailing Standards for Classification Reform

One commenter requested that entire DMM pages be published in the Postal Bulletin that transmits the mail preparation rules in this Federal Register notice and requested that any new wording be placed in bold.

Due to limits on time, space, cost, and size of the document, the DMM standards published in the Postal Bulletin will follow the same format as this final rule and will contain only the sections that are changed. DMM issue 50, which will incorporate the new preparation standards will be distributed prior to implementation.

c. Comments Beyond the Scope of this Rulemaking Process

Ten commenters submitted comments requesting such things as a change in

the rates, rate structure, minimum quantity standards for a rate category, or stated concerns about the structure of the future Classification Reform proposals for nonprofit mail, or suggested an implementation date for Classification Reform. One commenter requested that the Postal Service provide mailers its delivery performance data.

These comments are beyond the scope of this rulemaking. The rates, rate structure, and basic standards for rates in MC-95-1 were subject to litigation before the Postal Rate Commission, and cannot be unilaterally revised by the Postal Service in a rulemaking process. Similarly, the date for implementation of MC95-1 is determined by the Board of Governors of the Postal Service and is outside the scope of this rulemaking. Comments concerning the structure of the future Classification Reform proposal for Nonprofit Mail have been noted, but are also outside the scope of this rulemaking process.

d. General Comments on Mail Preparation Standards in the Proposed Rule

Eight general comments were received regarding the preparation standards set forth in the proposed rule. One commenter was pleased to see the Federal Register notice published on the Postal Service electronic bulletin board (RIBBS). One indicated he found no problems or inequities with the proposed rule. The remaining six disagreed with the overall effect of the preparation rules.

One of these indicated that the Postal Service is adding "picky details" to make the preparation standards complex. One indicated that some of the implementation standards may be exclusionary and create unnecessary barriers thereby creating growth of coarsely sorted and non-automated mail, exactly the opposite of the intended outcome of Classification Reform. Another commenter indicated that the preparation rules will negatively impact mailer cost and service. This commenter argued the proposed rules would keep more mailers out of automation thereby eliminating their reason to improve address quality, and leaving the USPS with more difficult-to-process mail. This commenter suggested that the Postal Service delay implementing unduly restrictive rules.

Three commenters indicated a combination of several of the make-up standards for mail will increase preparation costs, listing such things as 1) the separate mailstreams for barcoded and non-barcoded mail; 2) the need to

have 150 pieces to a 5-digit or 3-digit destination to obtain 5-digit and 3-digit automation rates; 3) the requirement to use barcoded tray labels on automation mailings; 4) the requirement for the mailer to strap all trays of letter mail; 5) the standard to prepare each subclass as a separate mailstream with separate subclass markings; 6) the required use of both 1-foot and 2-foot trays in letter-size mailings; 7) the standards to tray letter mail prior to palletizing it; 8) the decrease in drop shipment discounts when trucking costs may increase due to increased cost of preparing pallets and loss of cube space in trailers; and 9) the standards for purchasing and printing new reply mail pieces that bear barcodes and FIM marks for inclusion within pieces at automation rates.

One commenter remarked that it did not appear the Postal Service gave serious consideration to mailer comments concerning these issues in the last Federal Register and requested that it give such attention in this rulemaking.

Some of the items stated as concerns by these commenters involve issues that were at issue in the PRC proceeding, such as drop shipment discounts, and minimum quantity standards for mailings. The Postal Service cannot use rulemaking to change rates, discounts, and DMCS provisions that were recommended by the PRC and approved by the Governors. The Postal Service recognizes that under Classification Reform many mailers will be affected by new preparation criteria; however, the Postal Service believes that these preparation criteria are necessary to achieve the goal of encouraging mail that is efficient for the Postal Service to handle.

e. Minimum Quantity Standards/Definition of a Mailing

Ten comments were received concerning the application of minimum quantity standards to mailings and the definition of a mailing. These commenters had concerns about the proposed standard that each separate subclass and, within each subclass, each separate mail processing category, meet the appropriate 500-piece (First-Class) or 200-piece (Standard Mail) minimum quantity standard.

Five commenters indicated the minimum quantity should apply to the combined subclasses in the physical mailing and not to each individual subclass. Six commenters similarly requested that mailers should be able to combine mailings of different subclasses and rate categories that are part of the same mailing job. Four commenters stated that applying the minimum to

each subclass could cause problems for qualifying non-barcoded mail because when using lists that have a high percentage of names that can be properly barcoded, there may not be enough pieces left over after preparing the Automation mailing to meet a separate minimum quantity standard for mailing at Retail (now Presorted First-Class) or Regular (now Nonautomation Standard) rates. Another commenter expressed concern that mail remaining that cannot meet a separate minimum quantity standard will end up in the single-piece rate category, and that single-piece rate mail is generally not accepted at business mail entry units. One commenter also indicated that proposed DMM M130.1.1b, which stated that a mailing can consist of only one processing category, and M130.1.1d, which required that a separate rate marking appear on Retail Mail (now named Presorted First-Class), do not permit mailers to prepare the residual to an Automation mailing as a Retail (Presorted First-Class) mailing. One commenter expressed concern that splitting a Standard mailing job into three separate mailstreams complicates the mailing process and that this conflicts with a stated purpose of Classification Reform to simplify the preparation of mailings.

The Domestic Mail Classification Schedule approved by the Governors specifies separate 500-piece minimum quantity standards for the following First-Class mailings: (1) Letters and Sealed Parcels Automation, (2) Cards Automation, (3) Letters and Sealed Parcels Presorted, and (4) Cards Presorted. Accordingly, the final implementing DMM standards in this notice contain these separate minimum quantity standards for Automation mailings and for Presorted First-Class Mailings, including the separate minimums for mailings of First-Class Cards. First-Class mailers will be permitted to combine letters and cards in the same mailing as they do currently, provided each separate subclass (cards and letters) meets its own separate 500 piece minimum quantity standard and mailers either affix exact postage to each piece in the mailing or can provide standardized documentation to reflect the number of pieces in each subclass and each rate category within the combined mailing. The current provisions that all pieces in a mailing must be of the same processing category (with certain exceptions allowing for commingling Standard Machinable and Irregular parcels) are also retained in the final implementing DMM standards.

The DMCS also prescribes separate minimum quantity standards of 200 pieces or 50 pounds each mailing of Standard Regular and Enhanced Carrier Route rate mail. Due to operational differences in the way that mail is handled, automation mail must be sorted and presented separately from presorted nonautomation mail. The Postal Service has determined that automation and nonautomation mail must therefore be prepared and presented as separate mailings. Accordingly, the final implementing DMM standards in this notice contain separate minimum quantity standards for the following Standard mailings: (1) automation Enhanced Carrier Route, (2) nonautomation Enhanced Carrier Route, (3) automation Regular, and (4) presorted nonautomation Regular.

If, after preparing one or more of the above mailings within a class, mailers are left with a quantity of pieces that do not meet the minimum quantity standards for a Presorted First-Class or presorted nonautomation Regular mailing, mailers are correct that such pieces must be mailed at single-piece rates. These single-piece rate pieces will be accepted through the Business Mail Entry Unit when presented along with other presort rate mailings. Additional information on markings and postage payment for these pieces is provided in the separate comment sections on those two topics.

Eight commenters indicated that mailings of all subclasses should be able to be reported on the same mailing statement, and on the same documentation. Four commenters requested clarification concerning the application of minimum quantity standards to plant verified drop shipment (PVDS) mailings expressing opinions that Customer Support ruling PS-283 be continued under Classification Reform. Three commenters pointed out that there is a conflict in the proposed rule between the information presented in the general comments section which states separate subclasses cannot be part of the same mailing, and the information in DMM 600.2.4 which states that all the Standard Mail subclasses can be prepared in the same mailing, and that this is further confused by rules and comments indicating that mailings of different subclasses can be combined on the same pallets in palletized mailings. These commenters stated that the proposed policy was confusing and inconsistently applied throughout the proposed standards. One of these commenters indicated that he interpreted the proposed standards to mean that Standard Automation and

Regular (now nonautomation Regular) mail may be on the same pallet and can be reported on the same documentation and mailing statement. One commenter stated that his support for 100% barcoding during the Implementation Advisory Group (IAG) meetings was conditional on having Enhanced Carrier Route, Automation, and Regular subclass mail to be part of the same mailing and reported on the same mailing statement. This commenter believed that previous responses to comments led him to believe the Postal Service agreed with this single mailing concept.

The information in proposed DMM 600.2.4, which stated that all the Standard mail subclasses could be prepared in the same mailing contained a typographical error omitting the word "not." The Postal Service regrets any confusion this may have caused. Under Classification Reform, a mailing will consist of a group of mail of the same class and subclass which will be processed in the same manner by the Postal Service, and which is submitted for verification at the same time. Each mailing will be required to meet a separate minimum quantity standard. As indicated above, for presorted Regular Standard Mail mailers, automation mail must be prepared as a separate mailing from mail entered at presorted nonautomation rates, and automation Enhanced Carrier Route mail must be submitted as a separate mailing from mail entered at nonautomation Enhanced Carrier Route rates and from other Regular Standard mailings. Each of these four mailings must therefore meet a separate 200-piece or 50-pound minimum quantity standard. Similarly, a First-Class Automation letter mailing must meet a separate 500-piece minimum quantity standard and a Presorted First-Class letter mailing must meet a separate 500-piece minimum quantity standard. Separate minimum quantity standards must also be met for mailings of automation First-Class Cards and Presorted First-Class Cards.

The final implementing DMM standards contained in this notice provide that separate mailings of the same class of mail and in the same mailing job that are presented for verification at the same time may be claimed on a single postage statement. The Postal Service has renamed its "mailing statements" as "postage statements" to avoid confusion as to whether more than one mailing can be reported on a single statement. Under the standardized documentation standards for these mailings, separate documents describing each mailing will

be required except for copalletized, commingled, or combined mailings submitted on pallets. For these palletized mailings, packages or sacks or trays from each of the separate mailings are sorted together for placement on the appropriate level of pallets. Therefore, standardized documentation for palletized mailings will report pieces contained in each separate mailing by each separate rate category on a pallet by pallet basis, with a summary roll up of the total pieces for each separate mailing and each rate for the entire mailing job. Each of the mailings on the pallets that are part of the same mailing job may be reported on a single postage statement. The DMM standards in this notice have been revised to make these standards clear.

Customer Support Ruling PS-283, Third-Class Destination Entry Discounts and Fourth-Class Bulk Bound Printed Matter for PVDS, that pertains to application of minimum quantity standards for plant verified drop shipment (PVDS) mailings will continue to apply to the corresponding Standard mailings under Classification Reform.

f. Marking Standards

Eighteen comments were received in response to the proposed marking standards for First-Class and Standard Mail. Five commenters expressed outright opposition to the additional required markings. Three commenters suggested the Postal Service consider a transition period to allow time for mailer system and mailpiece design changes to accommodate the proposed marking standards. One of these commenters requested a one-year transition period to allow his company to deplete their envelope stock bearing current markings. One commenter asked whether the Postal Service would produce precanceled stamps bearing the proposed markings and asked whether it would accept stamps with current markings. One of these commenters questioned the need for the markings since they have no impact on improving deliverability of mailpieces.

One commenter indicated that 5 to 7 address lines would be needed for the markings plus a barcode, and that this means their address windows will have to be enlarged to accommodate the extra address lines. Another commenter similarly indicated he would have space problems with their addresses if an optional endorsement line had to be added. Two commenters indicated they had cleaned their address blocks to appear more personalized and had eliminated all but the carrier route endorsement line and the Address Correction Service information line.

These commenters were concerned the proposed markings would detract from the appearance of their mailings and thereby reduce the response rate to these pieces.

Several commenters pointed out problems that separate markings for separate mailings would pose for their operations. Four MLOCR users indicated that they cannot mark the mail before processing it, and that the ability to apply the marking with an ink jet is not currently available. They also stated that since their mailings consist of various size pieces it would be hard to spray on a marking in a consistent place. They further indicated that they could not apply markings representing individual presort rates. One of these mailers stated that in a letter sorter environment postage is applied to the pieces prior to sorting them, and therefore correct markings could be applied only if an optional endorsement line was used (requiring an enormous amount of programming time) or if some mail was run through the postage meter process a second time. Five commenters stated that because their Retail Mail (renamed Presorted First-Class) will come from Automation mail that was not delivery point barcoded, a standard to separately mark this mail as Retail Mail (now Presorted First-Class) would be a problem in itself and would also lead to postage payment problems. One of these commenters stated the same marking and postage problems will be encountered if some of the uncoded mail must be entered at the First-Class single-piece rates.

One commenter requested use of a generic "Presort" marking for all mailings. Two commenters requested that Retail Mail be allowed to bear an Automation marking, and two commenters suggested Automation mail be permitted to use the Retail marking. Two commenters indicated there would be no efficient way to delete old markings and add new markings to mailpieces. Another commenter indicated that the proposed endorsements would cause a problem in his mailing operations in which separately sorted mailings that each bear preprinted markings on an insert appearing through a window are merged together using barcode sorters to boost presort qualification levels. The merged final mailing would therefore not be able to show an individual rate qualification level marking. One commenter stated that one of the exhibits in the proposed rule appeared to require destination entry level in the markings and requested that the Postal Service eliminate this standard.

One commenter indicated that the standards are unclear and requested clarification as to whether each subclass would have to bear a separate marking. This commenter requested further information as to which markings can appear in the indicia. Another commenter pointed out that the proposed language in DMM P040, Exhibit 4.1b, stated that the "Bulk Rate" marking in permit imprints should be replaced with a "Presort" marking, yet the standards in proposed DMM M810.1.1 stated that Standard Mail must be marked Standard or STD. This commenter stated that based on proposed DMM M810.1.1 he would have expected the permit imprint to have contained the marking "Standard" rather than "Presort." One commenter was confused as to where the proposed subclass markings could be placed and suggested this standard could be a problem unless they were allowed in the address block. One commenter stated that the rules for optional endorsement lines and key lines need to be standardized since the information in each of these appears to be similar but is not consistent in content and format. One commenter asked whether the markings in DMM P700 would be required for everyone or just for customers who use manifest mailing systems.

One commenter wanted to know why nonprofit mailers and Periodicals Mail did not need to meet the new marking standards.

One commenter didn't understand the need for the markings indicating that it will provide no additional information to the Postal Service. One commenter stated that the marking standards are the result of shortcomings in the Postal Service In-Office Cost System (IOCS). This commenter further stated that the Postal Service should invest in technology to correct these shortcomings, and not require mailers to invest in technology to fix them. One commenter indicated that the Postal Service should use mailers' acceptance documents to gather needed information and expressed a belief that these forms are not analyzed and documented now. This commenter further questioned whether the information this proposal requested would be used any more effectively.

Markings are used to develop detailed cost information about various categories of mail. The Postal Service In-Office Cost System (IOCS) determines the costs attributable to each subclass and certain rate categories. These attributable costs are used in determining rates. The IOCS uses a sampling system. A data collector will

go to a randomly selected postal employee at a randomly selected time and record the subclass, and where applicable, the rate category information appearing on any mail that postal employee is handling at the time of observation. The data collector will use the markings that appear on individual mail pieces, as well as postage, piece size, and other information to determine the subclass and any applicable rate category of the mail being handled at the time of observation.

Accurate cost attribution depends on accurate piece markings. It is therefore in the best interest of both mailers and the Postal Service to have accurate costing information for subclasses and mailing and rate categories within subclasses for ratemaking purposes. Classification Reform offers an opportunity to implement markings that will enable the Postal Service to more accurately determine the costs of automation (barcoded) mailings and other mailings. Accordingly, the Postal Service has determined that the markings applied to First-Class and Standard mailpieces must accurately reflect the subclass and mailing category at which the pieces are actually mailed. For mail at any carrier route rates, a marking specifying the actual rate category within a mailing will also be required.

The Postal Service is also sensitive to the concerns of the mailers who commented. It recognizes that in some instances the marking standards contained in this notice may require mailers to make changes to their current mailing practices. In response to these concerns, the Postal Service has made modifications to the final marking standards to make them easier for mailers to comply with. The final standards are described below.

In response to comments concerning needed phase-in time to use current stocks of envelopes bearing "Presorted First-Class" and "Bulk Rate" markings, and concerns over use of precanceled stamps that currently bear these printed markings, the Postal Service has decided to retain use of "Presorted First-Class" rather than adopt the proposed "Presort First-Class" for First-Class Mail; and to retain use of "Bulk Rate" or "Blk. Rt." as the marking for Standard Mail (A) rather than the proposed "Standard" marking plus another specific mailing marking. Use of these current class specific markings will still allow the Postal Service to collect accurate data without adding the extra cost to mailers of buying new envelopes, or replacing meter slugs, or remarking mail bearing precanceled stamps with what would have been

obsolete markings. This retention of current markings will also eliminate the confusion that would have occurred during any transition period that would have allowed mail bearing the old markings concurrent with mail bearing new markings. Accordingly, the Postal Service does not plan to phase-in the marking standards.

For all First-Class and Standard Mail (A) presort rate mailings, both a class marking and a mailing marking will be required on each piece. For carrier route rates a class marking, mailing marking, and a specific carrier route rate marking will be required.

For presorted First-Class mailings (both Automation and Presorted First-Class), the class marking of either "First-Class" or "Presorted First-Class" must appear in the postage area. For presorted Standard (A) mailings (Automation, Enhanced Carrier Route, and Nonautomation), the class marking "Bulk Rate" or "Blk. Rt." must appear in the postage area. The postage area is defined as the area within the permit imprint or precanceled stamp, or below or to the left of the meter stamp, permit imprint or precanceled stamp.

For automation First-Class, automation Regular Standard, and automation Enhanced Carrier Route Standard mailings, the marking "AUTO" in all capital letters will be required on all pieces in addition to the applicable class marking described above. In addition, mail qualifying for a presort First-Class or Enhanced Carrier Route Standard automation carrier route letter rate, must bear an additional CR rate marking so that the marking will appear as "AUTOCR" on each piece qualifying for those rates. The "AUTOCR" marking is in addition to the applicable class marking described above. The "AUTOCR" marking may appear only on pieces qualifying for an automation carrier route rate and the "AUTO" marking may appear only on pieces qualifying for a non-carrier route automation rate. The automation marking ("AUTO" or "AUTOCR") may appear in the postage area or on the top line of the address (only a barcode may appear above it). Alternatively, for MLOCR users, the appropriate "AUTO" or "AUTOCR" marking may appear to the left of a barcode in the lower right corner of the envelope, or to the left of a date applied by the MLOCR in the postage payment area.

For nonautomation Presorted First-Class mailings the marking "Presorted First-Class" will be required in the postage area. This serves as the marking for both the class of mail and type of mailing. As indicated above, mail entered at the Presorted First-Class rates

will not be permitted to also bear an "AUTO" or "AUTOCR" marking. Mail entered at single-piece First-Class rates must bear only the "First-Class" marking, no marking, or under certain conditions, the "Presorted First-Class" marking. Single-piece rate mail may bear the "Presorted First-Class" marking only if additional postage is affixed to each piece to bring the total postage affixed to each piece up to the correct single-piece rate (based on the weight of the piece). For mailers using precanceled stamps or permit imprints, the additional postage affixed to single-piece rate mail could be in the form of either stamps or a meter imprint. The addition of postage to single-piece rate mail marked "Presorted First-Class" will allow IOCS data collectors to determine that the piece was mailed at a single-piece First-Class rate.

For presorted nonautomation Regular Standard mailings, the "Bulk Rate" or "Blk. Rt." marking will be required in the postage area. This serves as the marking for both the class of mail and type of mailing. For nonautomation Enhanced Carrier Route Standard Mail, each piece must bear the marking "ECRLT", "ECRWSH", or "ECRWSS" that is appropriate for the rate paid (basic, high density, or saturation) for the piece in addition to the "Bulk Rate" or "Blk. Rt." class of mail marking. The Enhanced Carrier Route markings may appear either in the postage area or on the top line of the address. Mail entered at single-piece Standard rates must bear the marking "Standard", or under certain conditions, the "Bulk Rate" or "Blk. Rt." marking. Single-Piece Standard Mail may bear the "Bulk Rate" or "Blk. Rt." marking only if additional postage is affixed to each piece to bring the total postage affixed to each piece up to the correct single-piece rate (based on the weight of the piece). For mailers using precanceled stamps or permit imprints, the additional postage could be in the form of either stamps or a meter. The addition of postage to single-piece rate mail marked "Bulk Rate" or "Blk. Rt." will allow IOCS data collectors to determine that the piece was mailed at a single-piece Standard rate.

These marking standards will allow use of current meter slugs, permit imprints, and precanceled stamps that bear the "Presorted First-Class" and "Bulk Rate" or "Blk. Rt." markings. For mailers who electronically presort mail, any additional mailing and carrier route rate markings can be applied on the top line of the address.

For MLOCR users, including those preparing mail under value added refund (VAR) provisions, it is

recognized that some changes to their operations may be needed to comply with these marking standards. However, these mailers should be able to comply with these standards provided they can spray the appropriate "AUTO" or "AUTOOCR" marking on mailpieces at the time a delivery point barcode is applied. The "AUTO" or "AUTOOCR" marking would have to be suppressed any time a 5-digit barcode or no barcode is applied. Since pieces in both the automation First-Class mailing and the Presorted First-Class mailing will be allowed to bear the marking "Presorted First-Class" in the postage area, this will allow mail not coded to delivery point being to be submitted as a properly marked Presorted First-Class mailing, provided all other standards for that type of mailing are met, including a separate 500 piece minimum quantity standard. Similarly the provision for both an automation Enhanced Carrier Route mailing and a nonautomation Regular mailing to bear the marking "Bulk Rate" or "Blk. Rt." in the postage area, and the ability to apply the appropriate "AUTO" or "AUTOOCR" marking at the time the barcode is applied will allow mail not coded to delivery point to be submitted as a properly marked nonautomation Regular mailing. The provision allowing the "AUTO" and "AUTOOCR" marking to be printed to the left of the barcode in the lower right corner of the mailpiece, or in the postage area to the left of a date applied by the MLOCR, should make the "AUTO" or "AUTOOCR" markings easier to apply for these mailers. In response to the commenter that indicated ink jet capability has not yet been developed, it should be pointed out that MLOCR users may currently use ink jet to spray a new mailing date and the correct ZIP Code for the mailpiece, and that many mailers are using these options already. The Postal Service does not believe that it would be onerous to adapt these existing systems to apply the "AUTO" or "AUTOOCR" markings.

First-Class, Regular Standard and Enhanced Carrier Route Standard mailers opposed to placing markings in the top line of the address will either need to modify their address labels or address inserts and windows, or to place the applicable mailing and carrier route rate markings in the postage area.

Nonprofit Standard and Preferred Periodicals mailers are not affected by these new marking standards because these subclasses were not part of this Classification Reform effort. Cost data for Periodicals Mail is determined by the publication number that must appear in each copy. Accordingly, new

marking standards will not be applied to Regular Periodicals under Classification Reform.

g. Postage Payment

Five commenters had concerns about postage payment issues. Four of these commenters had concerns about the treatment of mail that would not qualify as part of an Automation mailing and would, as a result, become part of a Retail (Presorted First-Class) mailing. These commenters requested that Retail (Presorted First-Class) mail left over after preparing Automation mailings be permitted to bear postage at the Automation rates rather than the Retail (Presorted First-Class) rates, and that any difference between the postage affixed and the actual rate of postage owed for these mailings be paid by means of a meter strip affixed to the mailing statement or through an advance deposit account. This would simplify their mailing operations and prevent them from having to remeter mail entered at Retail (Presorted First-Class) rates. Generally mailers affix postage to mail prior to sorting it. Most of these commenters indicated that they use MLOCRs to prepare the mail and indicated that they would not know whether a piece could be barcoded and entered as part of an Automation mailing until after it was sorted. These commenters indicated that the proposed standards to separately mark and pay postage at the appropriate Retail (Presorted First-Class) rates for their nondelivery point barcoded mail would require them to run the mail through a second metering operation after it was sorted, adding cost and time to their operations. One of these commenters also requested that single-piece rate mail that could not be made part of either an Automation mailing or a Retail (Presorted First-Class) mailing also be allowed to pay the difference in postage between the rate affixed and the single-piece rate through a meter strip or an advance deposit account.

The rules for payment of postage under Classification Reform will differ by method of postage payment as they do today. For mailings paid by permit imprint, all pieces in a mailing must be of identical weight (unless manifesting or an optional or alternative procedure has been authorized by a rates & classification service center). Presort mailings containing more than one rate category must be verifiable either based on weight (because the pieces are of identical weight and the mailer separates the trays or sacks by rate category at the time of verification), or based on the submission of standardized documentation showing the number of

pieces in each rate category. As indicated under the marking section, if any pieces remain that are subject to single-piece rates, each such piece must have postage affixed at the correct single-piece rate, or the pieces must be submitted as a separate single-piece rate permit imprint mailing bearing the proper rate markings for single-piece rate mail and meeting a separate minimum quantity standard for a permit imprint mailing.

For metered mailings, postage must be metered on each piece at either the exact rate of postage for the mailpiece, or at the lowest rate applicable to any piece in the mailing, unless the mailer is authorized by a rates and classification service center to mail under an alternative program such as value added. An exception is provided by this final rule for mailing jobs. When a mailing job consists of two (First-Class) or two to three (Standard) mailing categories, and all the mailings in the mailing job are presented for verification at the same time, mailers may apply postage at the lowest rate applicable to any piece in the mailing job to all pieces in the mailing job. For First-Class metered mailings, each piece weighing more than 1-ounce must bear the correct amount of additional postage to pay for the additional ounces.

Metered mailings containing more than one rate category must be verifiable either based on weight (because the pieces are of identical weight and the mailer separates the trays or sacks by rate category at the time of verification), or based on the submission of standardized documentation showing the number of pieces in each rate category. Presort mailings of nonidentical-weight pieces must (and mailings of identical weight may) be accompanied by standardized documentation that shows the number of pieces in the applicable rate categories and the total postage owed for the mailing. Any difference between the amount of postage affixed to the piece and the amount of postage owed for the presort mailing may be paid by means of a meter strip affixed to the postage statement or through a trust fund account. If any pieces remain that are subject to single-piece rates, each such piece must have postage affixed at the correct single-piece rate.

For mailing jobs metered at the lowest rate in the job and having all mailings submitted on one postage statement, the individual mailings in a job of identical-weight pieces may also be verified by weighing as described above. Nonidentical-weight mailing jobs must (and identical weight mailings may) be accompanied by documentation that

shows the pieces and postage at each rate category by mailing with a summary for the job. Any difference between the total amount of postage affixed to each piece and the amount of postage owed for the total of all the presort mailings for the job may be paid by means of a meter strip affixed to the postage statement or through a single debit to an advance deposit account. If any pieces remain that are subject to single-piece rates, each such piece must have postage affixed at the correct single-piece rate.

For precanceled stamp mailings, each piece must bear either a Postal Service precanceled stamp or stamps precanceled with a mailer's postmark. Mailers must be able to document (either by the weighing method or standardized documentation as described for meters) the difference between the price paid for the stamp affixed and the amount of postage owed for the presort mailing. The additional postage owed for the presort mailing and any single-piece rate pieces must be paid in the same manner as described for metered mailings. The provisions for mailing jobs also apply to precanceled stamp mailings.

For value added refund mailings, the value added refund documentation and payment procedures will be extended to the nonautomation presorted portion of the mailing.

Mailings or jobs of any postage payment method in which cards and letters are combined must be accompanied by standardized documentation that substantiates that the separate minimum quantity standards for cards and letters have been met. The documentation must also contain separate rate columns for each card rate and for each letter rate in the mailing or mailing job. In addition, if such combined mailings are paid with precanceled stamps or meters, the cards must bear postage at card rates and the letters must bear postage at the letter rates. Any difference between postage affixed and postage owed for the presort portion of a mailing or mailing job containing both cards and letters may also be paid by means of a meter strip affixed to the postage statement or through an advance deposit account. If any pieces remain that are subject to single-piece rates, each such piece must have postage affixed at the correct single-piece rate, or the pieces must be submitted as a separate single-piece rate permit imprint mailing bearing the proper rate markings for single-piece rate mail and meeting a separate minimum quantity standard for a permit imprint mailing.

h. Minimum Per Piece Rate Breakpoints for Standard Mail (A)

Five comments were received regarding the minimum per piece rate weight breakpoints. All five commenters requested that the same breakpoint be used for the entire class of Standard Mail for the sake of simplicity. Two of these commenters further indicated that they wanted the highest weight breakpoint to apply to the entire class. These two commenters also stated a belief that there was no reason for the weight limits on heavy letter mail (mail weighing more than 3 ounces) that is eligible for mailing at the Automation letter rates to be different for First-Class, Periodicals, Regular Standard, and Nonprofit Standard Mail.

Separate rate schedules for each subclass of Standard Mail were recommended by the PRC and approved by the Governors. The rate schedules for the Regular, Enhanced Carrier Route, and Nonprofit subclasses of Standard Mail (A) each separately prescribe that mailers must pay either the minimum piece rate or the pound rates, whichever is higher. The weight breakpoint for each subclass is mathematically derived to determine the weight at which the pound rates become higher than the minimum per piece rates. Accordingly, the Postal Service cannot change the point at which the pound rates apply for individual subclasses in this process. Once a particular weight break is exceeded, the non-letter size piece and pound rates apply. The Postal Service does set the weight limits for eligibility for automation First-Class or Periodicals letter rates based on operational and administrative criteria. In the interest of simplicity, the Postal Service has determined to allow First-Class and Periodicals letter mail that meets the higher Standard Mail weight breakpoint to be eligible for barcoded letter rates provided that such mail meets all other standards for that rate. This affords as many mailers as possible the highest weight cut-off for Automation letter rates.

i. Acceptance Procedures for Presort Errors

One commenter requested information as to what would happen if one of his machines missorted one piece of mail. This commenter gave an example of a situation where on the second pass of an MLOC, a piece destined to a 3-digit bin might mistakenly be sorted by the machine to another bin. The commenter indicated that the machine would not report that piece at the 3-digit automation rate, but indicated that this piece might be

subsequently found and placed in a mixed AADC tray because it would be difficult to find the proper 3-digit tray. The commenter asked whether finding such a piece within a mixed AADC tray would be considered an error, and if such errors exceeded whatever tolerance might be established, if it would disqualify the mailing or result in substantial penalties. The commenter requested that this type of error be ignored for acceptance purposes since the primary 3-digit and AADC separations would be made and correct postage would be paid on the piece.

Currently, a First-Class barcoded mailing is permitted to contain an unlimited amount of residual mailpieces without penalty, even if the pieces could have been sorted to a finer extent. This is because the residual mail is currently paid at single-piece rates. When Classification Reform is implemented, all pieces in an Automation mailing will receive a presort rate. Therefore it will be expected that all pieces within such mailings be presorted to the finest extent possible to 3-digit and AADC destinations prior to placing mail in a mixed AADC tray. All possible 5-digit trays will not be expected because this is an optional sortation level. Therefore, if during the acceptance process, mail is discovered in a mixed AADC tray that could have been sorted to a 3-digit or AADC tray in the mailing, such mail will be considered a presort error. Because the Postal Service recognizes that some machine or human errors can occur in the preparation of mailings, the Postal Service allows a tolerance without penalty for errors discovered in a mailing during acceptance. If the errors found in the mailing exceed this tolerance, mailers will be given the same two choices currently available: (1) to take the mailing back, correct it, and resubmit it to the Postal Service; or (2) to pay additional postage at the appropriate rate for the proportion of the mailing found to be in error during the verification process. The Postal Service does not agree with the commenter that certain types of errors should be ignored because the mailer did not intentionally make the error. The Postal Service expects that mailers will exercise good machine maintenance and other quality control procedures in their operations to ensure that such errors in sorting are minimized.

j. Destination Delivery Unit Discounts

Ten commenters had concerns over the proposed revisions in the qualification criteria for destination delivery unit discounts for Standard

Mail and Publications Service Periodicals to require that mailers take carrier route sorted mail to the postal facility where sequencing of the mail takes place rather than to the postal facility where the carrier is located, in those situations where these were not the same facility.

Seven commenters requested that the change requiring carrier route mail to be entered at the location where the mail is sequenced should be dropped. These mailers questioned how a small mailer is to know this information and that it will be subject to change. Two commenters did not disagree with the new standard but recommended that the Postal Service develop a list of 5-digit ZIP Code facilities at which mailers must drop Destination Delivery Unit mail. One commenter stated that this standard only has logic for letters and possibly for automation flats, and that applying it to non-automation flats could interfere with well established mailing patterns for newspapers and their shippers. This commenter requested that postmasters be given the authority to allow mail to be dropped at the delivery office.

As pointed out by one commenter, a change in where the mail is dropped makes sense only for letter mail. Moreover, any change in where the mail is dropped would apply only to automation (barcoded) letter mail that is processed at CSBCS sites. Since Publications Service was not recommended as a separate subclass of Periodicals mail, and there is no automation carrier route rate applicable to Regular Periodicals, this revision will not apply to Periodicals under implementation of Classification Reform. Mailers of Periodicals, and of Standard letters mailed at other than automation Enhanced Carrier Route letter rates, will continue to drop their mail at the destination where the carrier is located since it is the carrier who sequences this mail under these final rules. However, for automation Enhanced Carrier Route letter mail, mailers will be required to drop their mail at the postal facility where the mail is sequenced. This could be the facility at which the carrier sequence barcode sorter (CSBCS) is located which will sequence the mail, rather than the facility at which the carrier is located. Mailers may contact the appropriate USPS district drop shipment coordinators to determine the sites where automation Enhanced Carrier Route letter mail must be dropped to obtain DDU discounts. The Postal Service plans to incorporate information as to where automation Enhanced Carrier Route mail must be dropped to

obtain DDU discounts in its AIS Drop Shipment product in the future.

k. Replacement of SDC Network With ADC Network

One comment was received in response to the Postal Service's notice that the SDC network would be replaced by the ADC network for all mail, effective with the implementation of Classification Reform. This commenter asked whether we would be creating an excess of skin sacks as a result of this since there are more ADCs than SDCs. He indicated that today all working flat mail is placed in the same sack, and it appears that the network change would require a separate sack for this mail for each ADC.

The sortation rules for mail sorted to ADCs will require either a full tray (with no overflow) or a sack meeting a prescribed minimum quantity. Therefore there should not be an excess of skin sacks created by this network change. Mail that cannot be placed in full letter or flat trays, or in sacks meeting the specified minimum quantity would continue to be merged into mixed trays or sacks with the label changed to Mixed ADC rather than mixed states.

l. Enhanced Carrier Route Rate Eligibility for Routes With Fewer Than Ten Stops

One commenter commended the USPS for allowing mail destined for carrier routes that have fewer than 10 delivery stops to qualify for the Saturation Enhanced Carrier Route rates if it meets the applicable density and documentation standards.

m. Eligibility for Enhanced Carrier Route High Density Rates

Three comments were received in response to the Postal Service's indication that walk sequencing rather than line-of-travel (LOT) sequencing would be required to qualify for High Density Enhanced Carrier Route rates. All three commenters indicated that LOT sequencing should be permitted.

Currently, walk sequence is required to obtain these rates, and that standard has been retained in the applicable DMCS provisions recommended by the PRC and accepted by the Governors.

n. Density Standards for Saturation Enhanced Carrier Route Mail

One commenter requested an explanation as to why in proposed DMM sections E632.1.7b and c, multiple pieces for a single delivery address are not allowed to count toward meeting the Saturation Enhanced Carrier Route qualification criteria, but are permitted

to count toward meeting the 125-pieces per route standard for High Density Enhanced Carrier Route rates. This commenter asked whether this excludes multiple dwelling units such as apartments or trailer parks. He requested clarification of this rule and also a modification to make this rule consistent for qualification for both rates.

The proposed DMM sections E632.1.7b and c do not reflect a change from current standards but merely carry forward the current standards in DMM E334.1.6d. To meet the saturation criteria, the Postal Service requires delivery of a mailpiece to at least 90% of the active residential addresses or at least 75% of the total number of active possible delivery addresses for each carrier route claiming these rates, whereas for High Density rates it requires only a total of 125 sequenced pieces per route. A delivery address for purposes of meeting the Saturation standards could be individual apartments in an apartment complex or highrise or individual trailers in a trailer park. This standard for saturation rates does not preclude mailers from mailing more than one piece to a specific delivery address, it only specifies that the specific delivery address to which a piece or pieces are delivered can count only once towards meeting the applicable percentage of active possible delivery addresses per carrier route.

o. Placement of All Packages or Pieces for the Entry SCF in 3-Digit or Finer Trays or Sacks

Eleven comments were received in response to the Postal Service's proposal to require that all mail for the 3-digit ZIP Codes served by the SCF of the entry post office be trayed or sacked to a 3-digit or finer level of sortation. This proposed standard could have resulted in the preparation of less-than-full 3-digit trays and sacks for the 3-digit ZIP Codes served by the SCF of the entry post office where full 3-digit or finer trays or sacks for these destinations could not be prepared. This standard was added to avoid having small quantities of local mail being transported from the local office to an ADC or AADC where it would undergo processing and transportation back to the SCF at which it was entered. The avoidance of this loop would result in better service and an expanded opportunity for mail to qualify for destination SCF rates.

Four commenters indicated that this standard should be changed from required to optional because it would be impossible for many drop shipment mailers to comply with it. These

commenters pointed out that at many mail preparation facilities, mailings are presorted and produced first and decisions as to destination entry drop points made second after the mailer is able to determine the total volume of mail it has produced on a given day for certain drop shipment destinations. Because the presort is performed prior to determining drop entry points, requiring 3-digit sortation based on the SCF service area of the facility at which the mail is dropped would require these mailers either to resort the mail by drop ship sites or, to manually remove this mail from ADC, AADC, mixed ADC and mixed AADC trays or sacks and make manual corrections to mailing documentation. Six commenters indicated that these less-than-full 3-digit trays should be eligible for the applicable 3-digit or 3/5 rate rather than a basic rate. One commenter believed that a standard for separate 3-digit trays was overkill and requested the ability to prepare an SCF tray for this mail with separator cards. This would prevent mailers from having to prepare 10 separate less-than-full 3-digit trays for SCF areas such as White River Junction, VT, which serves 10 different 3-digit ZIP Code areas. One commenter opposed this standard, indicating that consistency in mail preparation transcends the minimal benefit derived from this proposal.

In response to the comments by drop shipment mailers, the Postal Service is revising the final DMM language to require preparation of these less-than-full 3-digit trays or sacks only for the 3-digit ZIP Codes served by the SCF of the post office where the mail is verified. These trays or sacks would be optional for other entry points. The Postal Service would also like to point out that because tray label destinations for mixed AADC trays and mixed ADC trays and sacks of mail will differ depending on the location of where the mail is dropped, plant verified drop shipment mailers will be expected to make appropriate tray label changes for any mixed AADC trays or mixed ADC trays and sacks that are drop shipped to other than the facility where the mail is verified.

The Postal Service does not want to reinstitute preparation of SCF trays. Therefore the Postal Service is retaining the standard that, after preparation of any applicable carrier route and 5-digit trays or sacks, and all 3-digit trays or sacks meeting the applicable minimum quantity standards, any mail (for automation and upgradable letters) or any 5-digit and 3-digit packages (for other sortations) remaining for the 3-digit ZIP Code or ZIP Codes served by

the post office where the mail is verified, must be prepared in separate 3-digit sacks or trays. The only exception is that for automation letter mailings, preparation of 3-digit scheme trays would be required where scheme sorts are indicated in DMM L003. The Postal Service recognizes that in some SCF areas like White River Junction, VT, which serves 10 different 3-digit ZIP Code areas, this could result in as many as 10 separate less-than-full trays or sacks for mailings at other than automation letter rates. (For automation rate letters, only 3 separate scheme trays would be required for this mail, assuming there were pieces in the mailing for each of these schemes.) However, as stated above, the Postal Service does not wish to reinstitute preparation of SCF packages, trays, or sacks. The Postal Service is also retaining its position that when the pieces in these entry or origin 3-digit (3-digit scheme for automation rate letters) trays or sacks do not meet applicable minimum quantity standards for 3-digit or 3/5 rates, the pieces must be paid at basic rates.

p. Presort Accuracy Validation and Evaluation (PAVE)

The Postal Service proposed to require use of PAVE-certified software or standardized documentation when preparing mailings under any of the reformed subclasses. Four commenters responded to this proposal. One commenter indicated that PAVE should not be required for mail acceptance, rather there should be only a requirement for standardized documentation. One commenter indicated that he is waiting for further information. This commenter recommended that the verification process for all changes and new proposals be incorporated into the standardized documentation standards in order to eliminate redundant documentation and streamline acceptance. One commenter indicated that his company has invested in sophisticated documentation software and needs the standardized documentation requirements in order to make necessary programming changes. One commenter indicated that the Postal Service needs to establish timely and reasonable procedures for mailers to have their documentation certified as standard. One commenter sent in a sample of current documentation to determine whether it met the standardized documentation requirements.

The Postal Service has retained the standard for mailers to use either PAVE-certified software or to use standardized

documentation. The standardized documentation requirements are included in this final rule. Mailers who use standardized documentation need not also meet the PAVE-certified software standard although its use is strongly recommended. Mailers using PAVE-certified software can be assured that their documentation will meet the standardized documentation requirement. The standardized documentation specified in this final rule does not incorporate all the new eligibility and mail preparation standards of Classification Reform as requested by one commenter. The standardized documentation is used to show that the presort criteria have been met and that rates were properly claimed on the postage statement. Certification of addressing standards, move update standards for First-Class Mail, certification that enclosed reply pieces in automation rate mailings are prepared with proper barcodes and FIMs, etc. cannot properly be captured by standardized documentation and will be certified through separate use of a Form 3553, the postage statement, or other means. Consolidation of all these certification standards may be considered in the future but is not part of these final implementing rules.

The Postal Service plans to have PAVE testing available for affected presort categories prior to implementation of Classification Reform. PAVE test files will be available to software vendors on March 22 for First-Class and Regular Standard letters and flats categories, and on March 29 for Enhanced Carrier Route Standard categories. This will provide sufficient time for the Postal Service to evaluate returned test files and certify participants prior to implementation of Classification Reform. Vendors whose files fail as a result of an initial evaluation will also have time for retesting and reevaluation for certification prior to the July 1 implementation date. Test files for Regular Periodicals will not be available until early summer as a result of the significant changes made to the quality and preparation standards in this category from those published in the proposed rule. Accordingly, the standard for use of PAVE certified software or standardized documentation for Regular Periodicals will not be required until January 1, 1997.

Mailers are advised that PAVE certification does not remove the requirement to submit documentation with each mailing where documentation is required. This is because PAVE tests the ability of a software program to sort addresses properly, but does not test the

mailer's proper use of it or the application of proper mailing parameters to each mailing. Use of PAVE-certified software will assure that the documentation produced meets the requirements for standardized documentation. PAVE also tests the ability to prepare properly formatted postage statement facsimiles. Software that is developed in-house by mailers may be PAVE-certified. Requests for PAVE certification information and tests should be directed to:

Pave Program, National Customer Support Center, US Postal Service, 6060 Primacy Pky Ste 101, Memphis TN 38188-0001

A list of PAVE certified products, by vendor, will be available on RIBBS, the Postal Service Rapid Information Bulletin Board System, and from the above address.

q. Perceived Restriction on the Mailability of Postcards as Bills

One commenter pointed out that the proposed Domestic Mail Classification Schedule language in section 232.2 indicated that mailpieces having certain characteristics such as punched holes, vertical tearing guides, an address portion which is smaller than the remainder of the card and numbers or letters unrelated to postal purposes appearing in the address portion of the card, are not mailable as a postal card or postcard unless the mailpieces are prepared as prescribed by the Postal Service. This commenter believed that these standards were new restrictions and was concerned that the Postal Service included neither descriptions of "face" and "holes, tearing guides" in the proposed DMM language in the proposed rule, nor preparations "prescribed by the Postal Service" in order for mailers to maintain mailability for such pieces. The commenter believed that this meant that the Postal Service was seeking to prohibit such pieces from being mailed and expressed concern about the impact this would have on mailers of postcard bills.

DMCS section 232.2 does not set forth new restrictions on postcards. This section carries forward the provisions of current DMCS section 100.043. The related DMM preparation standards for this DMCS provision are in current DMM C100.2.6 through 2.8. The Postal Service did not propose any changes to DMM C100.2.6 through 2.8, except that DMM C100.2.8 was revised to reflect the changes in the names of the classes and subclasses of mail proposed in MC95-1 and to reflect the proposed change to prepare this mail in trays rather than sacks. The reason current DMM C100.2.6 and 2.7 were not included in the

proposed rule is because no changes were proposed for those existing sections. The asterisks that appeared between revised DMM C100.2.1 and revised DMM C100.2.8 meant that no changes were made to current rules that appeared between these two sections in the DMM. Accordingly, the current DMM provisions in C100.2.6 and 2.7 allowing postcards having the characteristics described in DMCS section 232.2, to be mailed at card rates if they are prepared under the provisions of DMM C100.2.8 will remain in effect. The commenter is also advised that the additional preparation standards in C100.2.8 for pieces having the aforementioned physical characteristics are for the purposes of maintaining eligibility for card rates. Pieces having punched holes, vertical tearing guides, an address portion smaller than the remainder of the card, and numbers or letters unrelated to postal purposes appearing in the address portion of the card, that are described in DMM C100.2.6 and 2.7, and that do not meet the additional standards in DMM C100.2.8, are still mailable but must pay postage at the letter rates rather than the card rates.

2. Automation Mailings

a. 100% Barcoding

Nineteen commenters responded to the Postal Service proposal that mailings at the proposed automation First-Class and automation Standard Mail subclasses be comprised of 100% delivery point barcoded pieces for letters and 100% ZIP+4 barcoded or delivery point barcoded pieces for flats. Although an automation subclass was not recommended by the PRC, the Postal Service reviewed these comments in light of its desire to retain the 100% barcoding standard for automation mailings in the First-Class Letters and Parcels subclass, automation mailings in the Regular Standard Mail subclass, and automation mailings in the Enhanced Carrier Route Standard Mail subclass. Furthermore, the Postal Service plans to extend the 100% barcoding standard to automation (barcoded rate) mailings within the Regular Periodicals subclass. Comments on this extension to automation mailings of Regular Periodicals will be permitted as discussed above.

Two commenters supported this standard, one of which indicated that there is no need to phase in this standard because there is another subclass at which to mail noncoded pieces. Another commenter requested that implementation of this standard be delayed.

Four commenters requested a gradual increase in the percentage of barcoded pieces needed to qualify, two of which suggested moving the standard first to 90% and then to 95%, and one which wanted a 2-year phase-in period. One commenter suggested that the standard be changed to 95%, and another suggested that the Postal Service provide some tolerance. One commenter asked whether there will be any error tolerance for occurrences such as labels falling off, address misprints, or a barcode spraying over two envelopes.

Two commenters requested the rules be changed to allow nonbarcoded letter mail to be placed in the same trays as delivery point barcoded mail, one suggesting separation of barcoded and nonbarcoded mail in all trays, and one suggesting this practice be limited to AADC and mixed AADC trays. Three other commenters indicated that splitting their mail lists into two separate mailstreams, one with delivery point barcodes and one without, will increase their mail preparation expenses. One of these indicated it could result in more nonpresorted mail and another commenter indicated that this standard would eliminate large volumes of easier to process mail. Another commenter stated that together with the 150-piece minimum for rate qualification, the 100% barcoding standard will result in a net increase in postage for many mailers, which in turn could lead to a decrease in the volume of barcoded and presorted mail. This commenter further stated that because postage for nonbarcoded mail will increase total postage, the 100% barcoding standard could result in a decrease of business for mail service companies.

As indicated in the comment section of the December 22, 1995, proposed rule, when mailers, as is currently permitted, mix delivery point barcoded mail and non-delivery point barcoded mail within 3-digit and residual portions of their barcoded rate mailings, the non-delivery point barcoded mail is rejected from barcode sorters and must be rerun on MLOCRs or multiposition letter sorting machines (MPLSMs). (Mail presorted to 5-digit packages and trays must currently be 100% delivery point barcoded.) Requiring mailers to prepare a separate mailing for non-delivery point barcoded mail eliminates these extra handlings and allows this mail to be directed properly from the start, resulting in more efficient Postal Service processing. These efficiencies are recognized in the lower automation rates recommended by the PRC and approved by the Governors. Accordingly, the Postal Service does not

believe that phasing in or delaying this standard is appropriate. In return for lower automation rates, mailers will have to perform the additional work of separating nondelivery point barcoded mail (letters) and non-ZIP+4 or delivery point barcoded mail (flats) from barcoded mail, and presenting it as a separate Presorted First-Class, nonautomation Regular Standard, nonautomation Enhanced Carrier Route Mailing, or nonautomation Regular Periodicals mailing.

The Postal Service does not understand how this standard will eliminate large volumes of easier to process mail or how it will lead to a decrease in the volume of barcoded and presorted mail as some commenters suggested. The nonautomation mailing rates approved by the Governors are higher than current nonautomation rates, and much higher than the automation rates to be implemented. For example, the rate difference between an automation First-Class mailing and a Presorted First-Class mailing is 3.4 cents-per-piece at basic automation rates and 4.1 cents-per-piece for 3-digit automation rates. There is a 7.3 cents-per-piece difference between automation Regular Standard basic rates and nonautomation Standard Regular basic rates, and a 3.4 cents-per-piece difference between automation Regular Standard 3-digit rates and nonautomation 3/5 Regular Standard rates. Based on these incentives, the Postal Service believes most mailers will try to qualify as much mail as possible for the lower automation rates, thereby leading to an increase in barcoded mail.

One commenter took exception to a Postal Service response to a comment indicating that if the 100% barcoding standard results in more nonbarcoded mail presented for OCR processing at the origin post office, the Postal Service believes that it has the operational capacity to process this mail. The commenter stated that mailers have been told for years that nonqualified residual must be presented early in the night because operating units aren't able to handle this volume. This commenter maintains that the 100% barcoding standard will result in larger volumes of nonbarcoded mail and that this in turn will affect the cut-off times that are now around 9:00 p.m. for acceptance of this mail.

As indicated above, the Postal Service does not believe that the 100% barcoding standard will result in larger volumes of nonbarcoded mail. When mailers separate out the current 15% of their nonbarcoded mail that is currently permitted within barcoded rate mailings

and submit it as a separate mailing, they are not increasing the total amount of nonbarcoded mail that must be processed by the Postal Service. Furthermore, these mailers are likely to submit the non-delivery point barcoded pieces as either a Presorted First-Class or nonautomation Regular Standard mailing. These presorted nonautomation rate mailings will contain 5-digit, 3-digit, and ADC trays (AADC trays for upgradable mail) that can be dispatched directly to the appropriate facility and thereby bypass individual piece processing at the entry SCF. For automation Regular Standard mail, mixed AADC trays will be directed to concentration centers, and nonautomation mixed ADC trays will be directed to origin ADC for processing, also bypassing processing at the entry SCF (unless the entry SCF happens to be the concentration center or ADC). First-Class Mail received at the entry post office in mixed AADC or mixed ADC trays will be processed at the entry SCF. However, the processing of this mail will be more efficient than the current processing of residual mail. Current residual mail contains a mix of barcoded and nonbarcoded pieces. Under Classification Reform, mixed AADC trays of automation rate mail will be 100% barcoded and can be directed to an outgoing primary barcode sorter, mixed AADC trays of upgradable nonbarcoded mail can be directed to an MLOCR operation, and mixed ADC trays of nonupgradable mail can be directed to the appropriate mechanized or manual operation. Furthermore, because the SCF of the entry post office will not also have to process on OCRs the current volume of mailer-prepared pieces without delivery point barcodes that are rejected from that plant's barcode sorters, there should be an offsetting lessening of mail volume presented to a plant's OCRs for processing. If, despite all these offsetting factors, a higher quantity of nonbarcoded single piece or mixed AADC barcoded mail is experienced at a particular postal facility, the Postal Service can make internal adjustments to handle that mail. Accordingly, the Postal Service reiterates its belief that it has the operational capacity to process this mail.

Two comments were received regarding the exception set forth in the proposed rule to allow outgoing courtesy reply mail envelopes bearing a FIM and a preapplied unique 5-digit or unique ZIP+4 barcode to be considered to have a proper delivery point barcode as opposed to an 11-digit delivery point barcode required for all other mail. The

Postal Service allowed this because this mail can be easily identified at acceptance by the presence of the FIM. One commenter indicated that he was pleased to see this provision and the other commenter noted that this exception was missing from the DMM standards and requested it be added to the DMM. Since the incidence of courtesy reply mail within the outgoing barcoded mailstream should be small, and limited to MLOCR users, this exception will be handled as an acceptance issue and will not be included in DMM standards.

One commenter indicated that the 100% barcoding standards should also apply to Nonprofit Standard Mail and to Periodicals mail. The 100% barcoding standards have been added to Periodicals Automation mailings. Nonprofit Standard and Preferred Periodicals mail is not part of this phase of Classification Reform and therefore will not be affected by this standard at this time. As indicated above, this standard is being applied to automation Regular Periodical mail under the final rule.

One commenter suggested that the Postal Service cannot barcode all addresses and that mailers therefore should not be held to this standard. This commenter also believed that there are addresses in the United States that have not been assigned ZIP+4 codes. One commenter indicated the ZIP+4 database has errors and suggested that the Postal Service match the DSF file against the ZIP+4 file, using CASS-certified software, to list all noncoded addresses, and further list good addresses that are not matched to the finest level to determine why this might happen. Another commenter expressed concern that valid addresses might not be coded due to data problems or strict software standards, and invalid addresses might appear valid because incorrect ZIP+4 codes are assigned. One commenter requested that the standard be changed from 100% to between 95% and 97% to account for new addresses and 911 conversions that are not in the database.

There are no addresses for which the Postal Service is unable to assign a ZIP+4 code. For legal and privacy reasons, the Postal Service cannot disclose mailing lists. The ZIP+4 files contain ranges of ZIP Codes and are not intended as a product that would allow a mailer to determine whether an address on a mailpiece actually exists. Mailers with good quality addresses can obtain delivery point barcodes on their mailpieces. If they cannot, those pieces can be mailed at the appropriate rates for nonbarcoded mailings. Having

identified a need for accurate barcodes to ensure proper automation sortation, the Postal Service tests and certifies address matching software to ensure that it is producing correct barcodes. Because only correct barcodes are acceptable, software is controlled to help ensure that an incomplete or otherwise poor quality address receives a barcode only if it is correct. The Governors approved reduced postage rates for mail with correct barcodes. Those rates were not designed to apply to nonbarcoded mail or to mail with incorrect barcodes. Use of bad barcodes causes misdirected mailpieces. This in turn causes increased costs and reduces the Postal Service's ability to provide timely, consistent delivery service. To aid mailers with barcoding, the Postal Service already has a variety of tools to assist in improving address quality. If a mailer using CASS- or MASS-certified software cannot apply a correct delivery point barcode or, for flats a correct ZIP+4 barcode, to mailpieces, the mailer should, and will be required to, mail those pieces at the Presorted First-Class, presorted nonautomation Regular Standard, nonautomation Regular Periodicals, or single-piece rates, whichever is applicable.

b. Courtesy and BRM Barcoded Envelopes

Thirteen commenters responded to the proposed standard that, effective January 1, 1997, letter-size courtesy and business reply envelopes and cards included in letter-size and flat-size automation First-Class or automation Standard mailings must be automation-compatible, bear a FIM, and bear a correct barcode for the address to which the piece is returned. Three commenters requested a more liberal phase-in period for this standard, one specifying a minimum of 1 year, to allow mailers to exhaust their existing stock of reply mail letters and cards. Four commenters indicated that they do not support this standard, three of which stated that they object to the standard because enclosed reply mail has no connection with the cost of processing the outgoing mailpiece. One of those commenters further stated that the cost of processing reply mail should be borne by the reply mail.

Several commenters had concerns over the certification standard and enforcement of this standard. One commenter stated that this will add costs to his mailing operation by requiring someone to proof every reply piece prior to insertion. Two commenters requested a further explanation of the certification standards and indicated most

lettershops are not involved with the creation and postal approval of courtesy and business reply envelopes. Two commenters stated tracking down the producer of the business reply piece will be difficult. One commenter stated that the Postal Service's contention that a mailer capable of printing a barcode on an outgoing piece should be able to prepare properly barcoded reply pieces has no bearing on this standard because some mailers do not print the reply pieces, only the host pieces. Three commenters indicated that liability for noncompliance should be the owner of the mail, not the preparer or presenter. One commenter stated the Postal Service needs to clarify the actions that will be taken for noncompliance. One commenter stated that enforcement seems unattainable and that this standard could renew a call for a public automation rate. One commenter assumed that an improperly prepared reply piece discovered at acceptance would downgrade the entire mailing to a higher rate of postage and stated that such a penalty is draconian and a dangerous precedent that could drive postal customers away from using return mailpieces rather than encourage their use.

The Postal Service is adopting its proposal that letter-size reply envelopes and cards that are included within both letter-size and flat-size mailpieces entered as automation First-Class, automation Regular Standard and automation Enhanced Carrier Route Standard mailings, must be automation-compatible, bear a FIM, and a correct barcode for the reply address. In addition, the Postal Service is extending this requirement to automation mailings of Regular Periodicals. Comments on this extension to Regular Periodicals will be permitted as discussed above.

In addition to the customer convenience of a reply vehicle, increasing the use of barcoded reply vehicles is expected to keep postage rates down by making this mail more efficient to process. The Postal Service recognizes that mailers will need to work with their customers and possibly modify their contracts with advertisers and others to ensure that this standard is met. To allow time for this and for utilization of existing reply mail stock, the Postal Service is setting an implementation date of January 1, 1997, for this standard. The Postal Service does not believe a longer delay of this standard is warranted. At that time, automation First-Class, automation Regular Standard, automation Regular Enhanced Carrier Route, and automation Regular Periodicals mailers will be required to certify that enclosed

reply pieces are properly prepared when the mailing is presented to the post office. Mailers will certify this by checking a box on the postage statement and signing the statement. For this purpose, the mailer is whomever presents the mail to the post office. As indicated above, it will be up to mailers to work with their customers and advertisers to ensure that reply pieces provided to mailers comply with the standards for barcoded reply pieces. Upon implementation, if mailers cannot certify that this standard has been met, or noncomplying reply pieces are found within the outgoing mailing, the mailing may not be mailed at the automation rates and must pay the higher nonautomation rates.

Several commenters had questions concerning the standards for proper preparation of reply mail. Two commenters had concerns over the proposed standard for a delivery point barcode on all pieces. One pointed out that business reply mail is required to use a ZIP+4 barcode and that most courtesy envelope mail uses a unique ZIP+4 barcode. This commenter indicated that requiring an 11-digit delivery point barcode will require many mailers to make expensive form design changes to accommodate the larger barcode without any benefit to the Postal Service. The other commenter pointed out that there is a discrepancy between the Postal Service's apparent willingness to accept courtesy reply mail bearing unique 5-digit and ZIP+4 barcodes as properly barcoded outgoing pieces for purposes of meeting the 100% barcoded standard for automation rates, and its unwillingness to accept them on courtesy reply pieces contained within such mailings. One commenter questioned whether the standards for barcode preparation in DMM C840 would also be required as this section was not referenced in the appropriate E module sections of the proposed DMM language. This commenter was concerned that, if the reflectance standards contained in C840 will be required, that the envelope industry may not be able to meet them. This commenter also stated that because most reply envelopes are printed with a flexographic process, 100% of the barcodes cannot be guaranteed to meet the automation standards as this process does not produce results as consistent as laser, inkjet, and impact printing. One commenter, for environmental reasons, requested that the Postal Service work to modify the reflectance tolerance levels in DMM C840 for the area around the barcode, to improve the capability of its barcode readers to read nonpolymer

window envelope coverings, and to relax its flexibility standards in order to accommodate recycled paper. Another commenter requested that a reference to DMM C840 be included in the DMM standards for enclosed courtesy reply mail because this is the section that provides for barcodes in the address block. One commenter requested the ability to put barcodes in the address area for business reply mail. Another commenter believed that the Postal Service had committed to allow the barcode, permit holder, and permit number to appear on inserts through a window on business reply mail in early 1996 and thanked us for this effort.

The DMM standards concerning courtesy reply mail can be found in DMM E140.1.5, E241.1.2, E641.1.2, and C810.8. The Postal Service has determined that, for purposes of enclosed courtesy reply mail under this section, a unique 5-digit or unique-ZIP+4 barcode provided by the Postal Service will satisfy the delivery point barcode standards. This will make these rules consistent with the acceptance provisions for allowing outgoing courtesy reply mail prepared in this manner to count toward the 100% delivery point barcoding standards for letter-size automation rates. The Postal Service will require that barcodes on enclosed reply mail meet the barcode, reflectance, and window standards in DMM C840. The Postal Service recognizes that some recycled paper will not meet the reflectance standards. However, recycled paper that meets the Postal Service reflectance standards is available. Because the reflectance standards reflect the current capabilities of USPS barcode reader equipment they cannot be modified. Originators of reply mail pieces will be expected to make the necessary changes to the preparation of these pieces to ensure that they meet all the applicable DMM standards. Although the Postal Service has not begun a formal rulemaking process to allow BRM format elements such as the name of the permit holder and the permit number to appear through a window on BRM pieces, it will consider this for a future rulemaking.

The Postal Service will provide, free of charge, camera-ready positives of appropriate FIMs and correct barcodes for the production of reply mail. Mailers should contact their local Postal Service account representative or postal business center to obtain the positives and additional information on preparation standards. Obtaining the correct barcode for mailpieces is extremely important. The Postal Service assigns ZIP+4 barcodes to BRMAS reply pieces. Publication 353, Designing

Reply Mail, contains information on correctly preparing barcoded courtesy reply mail and business reply mail. Additional information on business reply mail and barcode standards is contained in the Domestic Mail Manual. These publications contain information on how to prepare barcodes that appear in the address block of reply pieces and those that appear through an address window.

c. Barcoded Tray and Sack Labels

Nineteen comments were received concerning the proposal to require that automation First-Class and Standard Mail, and automation-compatible Publications Service Periodicals be prepared with barcoded tray or sack labels. The proposed Publications Service subclass of periodicals was not recommended to the Governors by the Postal Rate Commission. Instead revised rates for Regular Periodicals were recommended and these changes to Periodicals have been accepted by the Governors. The Postal Service is applying the requirement for barcoded tray and sack labels to all automation Regular Periodicals under these final rules.

Eight commenters indicated that implementation of this standard needs to be delayed in order to give mailers enough time to buy equipment and/or adapt their systems. Two of these commenters indicated that at least 6 months was needed and another indicated that the date should be much later than July 1, 1996. One commenter indicated that he must replace dot matrix printers with ink jet, thermal or laser printers. One commenter indicated that this standard should be dropped as it will require him to stock labels for every 3-digit ZIP Code because he will no longer be able to handwrite labels for destinations that are seldom used. He indicated that this will cause him either enormous storage problems or require him to purchase either an outside vendor's system of special printers and unprinted labels. One commenter simply stated that his operation is not set up to handle barcoded labels at this time.

Six commenters indicated that the barcode specifications in the DMM cannot be met by most mailers and are not met by the Postal Service's own label printing facility. Problem areas mentioned included the point size, characters per inch, and size of the labels. These commenters also pointed out that these DMM standards are not met by the PASSPORT and Monarch printers system indicated to be a way to meet these standards in the proposed rule. One commenter indicated that the

DMM M032 exhibit needs to include the appropriate CINs for tray and sack labels under Classification Reform.

Three commenters were concerned about the Postal Service's ability to supply the total demand for these labels in a timely manner. One commenter stated that the Postal Service needs to design better tray label holders that will hold the label in place.

The Postal Service has investigated the barcode label specifications in the DMM in relation to these comments. As a result, some changes to the barcode tray and sack label specifications in DMM M032 have been made and are published in this notice. Revised CINs have also been published in the DMM section of this notice. In order to give mailers time to incorporate these barcode specification changes into any current systems they may have to produce labels and to give other mailers time to buy necessary equipment and adapt their mailing systems to incorporate barcoded tray labels, the Postal Service is delaying the requirement to use barcoded tray and sack labels with automation rate mailings until January 1, 1997. At that time automation First-Class, automation Regular Standard, automation Enhanced Carrier Route, and automation Regular Periodicals mailings must be prepared with barcoded tray or sack labels. As indicated above, comments will be allowed on the extension of this standard to Regular Periodicals mail.

The Postal Service currently has tray management systems that utilize barcoded container labels deployed at its largest plants and is aggressively deploying these systems to other plants. Barcoded tray labels are needed to capture the efficiencies of the tray management systems. Barcoded labels are also currently used to sort trays and sacks of Standard mail at BMCs. Accordingly, mailers are strongly encouraged to begin using barcoded tray labels prior to the January 1, 1997, implementation date.

Furthermore, mailers are reminded that, even though the requirement to use barcoded tray and sacks labels with automation mailings has been delayed, new tray and sack labels will be required for all mailings under Classification Reform (with the exception of some sort levels of First-Class Mail) due to the changes in postal networks, the addition of scheme sorts, and changes to the names of the classes of mail.

As indicated in the previous notice, the Postal Service will supply barcoded tray and sack labels. Customers must complete Form 1578-B and submit it to their local post office, which after

checking the order, will forward it to the Postal Service Label Printing Center in Topeka, Kansas. The labels will be delivered in approximately 6 weeks of the order. These labels will reflect the network changes and the new CINs for Classification Reform and can not be used until July 1, 1996.

Alternatively, mailers having a personal computer and a modem can obtain free PASSPORT software from the Postal Service that will enable them to order labels directly from the Label Printing Center in Topeka. In addition, the PASSPORT system will allow mailers to print barcoded labels on demand if they use one of three printers—Monarch 9425 or Monarch 9445, or Intermac 3000. The Passport system also includes free updates to the Postal Service labeling lists in DMM module L. PASSPORT software or further information about Passport may be obtained from the National Customer Support Center at 1-800-238-3150.

The Postal Service purchased new tray labels holders last year that hold labels more firmly in place. The Postal Service is systematically replacing old tray label holders with the new ones.

d. ZIP Code Limits on Letter-Size Automation Carrier Route Rates

Eleven commenters responded to the proposal to limit letter-size automation Carrier Route rates to ZIP Codes where mail will be sequenced either manually or by a carrier sequence barcode sorter (CSBCS). One commenter is opposed to the idea of reducing eligibility for carrier route rates. One commenter indicated that this limit on where letter-size automation carrier route rates can be obtained worsens the rate qualification degradation caused by the 150-piece standard for 5-digit and 3-digit Automation rates. This commenter indicated that he will mail at the Enhanced Carrier Route nonautomation letter rates rather than try to qualify mail for the 5-digit barcoded rate.

As indicated in previous notices, the limits on availability of automation Carrier Route letter rates are necessary for efficient Postal Service processing. For an increasing number of 5-digit ZIP Code areas, the Postal Service sorts mail to delivery point sequence (DPS), the sequence in which carriers deliver the mail, using two passes on delivery barcode sorters (DBCSs). Where this takes place, the carrier does not have to sort this mail manually into delivery or walk sequence, which saves carrier in-office time. At postal facilities where DPS processing is performed, it is to the Postal Service's advantage to have as much mail as possible DPS processed on the automated equipment. Currently,

at 5-digit ZIP Code areas for which DPS processing on DBCSs has been implemented, all mailer-prepared carrier route and walk-sequence presorted letter mail received with barcodes is processed on DBCSs rather than being directed to carriers for manual sequencing. Carrier route and walk-sequence sorted letter mail without barcodes is directed to MLOCs for application of barcodes and subsequent DPS processing. In many cases today, this process results in the Postal Service backflowing mail from a delivery unit to the place where the DBCS or MLOC is located. Thus, there is no additional value provided to the Postal Service by mailer presortation to carrier route or walk-sequence versus a 5-digit presortation for automation-compatible letter mail at destinating DBCS sites.

Carrier route rates are based in part on steps avoided by the Postal Service during processing. The preparation of carrier route packages and trays of barcoded mail addressed to ZIP Code areas at which mail is DPS processed on DBCSs does not avoid processing steps. The Postal Service will not give reduced rates for mail preparation that provides the Postal Service no value. Automation Carrier Route rates will therefore not be provided to barcoded carrier route mail at those 5-digit ZIP Code areas where DPS sequencing on DBCSs takes place.

Carrier sequence barcode sorters (CSBCSs) are smaller barcode sorting machines that also sequence mail to delivery point. However, mail must already be sorted to the carrier route level before it can be processed on a CSBCS. Therefore it will still make sense for the Postal Service to offer carrier route rates for barcoded mail that it sorts on CSBCSs and for mail on carrier routes that are sequenced manually.

The Postal Service is aware that this limit on automation Carrier Route rates will reduce the number of pieces a mailer can qualify for automation carrier route rates. It will be up to each mailer to make the decision whether the level of discount is worth the expense of preparing their particular mail for automation rates. The issue concerning the 150-piece minimum for 5-digit and 3-digit automation letter rates is further discussed under a separate section on 150-piece standards.

Seven commenters indicated that the list of ZIP Codes ineligible for automation Carrier Route rates should be available on RIBBS on a permanent basis and that small mailers should not have to subscribe to the City/State file as this is an unnecessary and costly burden.

The Postal Service sees no advantage and only possible confusion in providing a list of ZIP Codes where letter-size automation Carrier Route rates may be obtained. The argument that small mailers should not have to subscribe to the City/State file because this is an unnecessary and costly burden is not a good one. To qualify for automation Carrier Route rates, mailers will be required to match their addresses using CASS-certified software to a current CRIS file or other AIS product containing carrier route codes within 90 days prior to the date of mailing. The City/State File is automatically provided with all Address Information System (AIS) products and must always be used in conjunction with these AIS products for accurate matching. Accordingly, obtaining information as to which are the permissible ZIP Codes for automation Carrier Routes rates can be done at the same time as addresses are matched to the applicable CRIS, ZIP+4 or other AIS product that contains carrier route codes. In addition, some presort software vendors are including a City/State file match as part of the presort program. Accordingly, the Postal Service does not believe that use of the City/State file for determining the 5-digit ZIP Code areas for which automation Carrier Route rates can be obtained will be an unnecessary or costly burden to mailers. Furthermore, because software processing using the City/State file and an appropriate database containing carrier route information is already required for these mailings, the Postal Service does not believe that publication of the lists on RIBBS would be beneficial.

Two commenters indicated that the Postal Service should provide an equipment deployment schedule to mailers that would give mailers sufficient lead time and would also provide the Postal Service a tool to make sure that the schedule is followed.

The Postal Service does not plan to publish an equipment deployment schedule. Knowing when and where equipment is scheduled to be shipped to a plant will not provide mailers with the information that they are seeking. Knowing to which location and when a piece of equipment will be shipped does not equate to having a list of ZIP Codes that will be processed on that equipment. The 5-digit ZIP Codes that will be processed on this equipment are determined locally. ZIP Codes being processed on DBCSs may be shifted to processing on CSBCSs as these machines are deployed. This in turn will provide the capacity for additional ZIP Codes to be processed on DBCSs.

Because procedures will be in place to update the City/State file on an established bimonthly basis, as to which 5-digit ZIP Codes may obtain the automation Carrier Route letter rates, and because mailers can easily incorporate this information in their mailings approximately every 90 days in connection with the required address matching standard, the Postal Service does not deem it appropriate to publicly provide its equipment deployment plans.

e. 5-Digit Scheme Sortation for Automation Letters

Seven commenters responded to the information provided in the proposed rule that the Postal Service will not provide 5-digit scheme sortation for letters at the time Classification Reform is implemented. All seven commenters would like the Postal Service to do so. One argument for this action is to avoid the need to install a separate and costly software release to implement it at a later date. Three of these commenters indicated that having scheme sortation would enable mailers to qualify more mail for 5-digit automation rates. Two commenters indicated 5-digit scheme sort would reduce costs for both mailers and the Postal Service. Two commenters indicated that the volatility of 5-digit schemes should be no different than the update of the ZIP Codes eligible for letter automation Carrier Route rates and suggested a workgroup be formed to discuss obstacles. One commenter similarly stated that it seems that there are systems in place to handle volatility of scheme issues.

The Postal Service recognizes that 5-digit scheme sortation will allow mailers to qualify more mail for 5-digit automation letter rates, and agrees that it is in the best interest of mailers and the Postal Service to provide these schemes when practical. As indicated in comments on automation Carrier Route rates, the Postal Service is actively deploying CSBCS and DBCS equipment. ZIP Codes being processed on DBCSs may be shifted to processing on CSBCSs as these machines are deployed. This in turn will provide the capacity for additional ZIP Codes to be processed on DBCSs. This volatility will result in frequent changes to 5-digit schemes being used within local plants in the near future. Therefore 5-digit scheme sorts will not be implemented at this time. Given this, the Postal Service does not believe that it would benefit from forming a workgroup to discuss these matters.

f. 3-Digit Scheme Sort for Letters

Eleven comments were received in response to the provisions for a 3-digit scheme sort for automation letters set forth in the Proposed rule. All 10 commenters interpreted proposed section DMM M810.1.7 as requiring all possible 3-digit sorts to be prepared before performing 3-digit scheme sorts and all disagreed with it. One of these commenters indicated that requiring 3-digit sorts prior to scheme sort would drive an unacceptable amount of mail into the residual mailstream, both decreasing mailer discounts and increasing the amount of raw mail processed by USPS receiving units. Several commenters pointed out that this information conflicted with the information presented in the discussion of comments that scheme sorts could be prepared prior to preparing 3-digit sortations. One commenter asked that we reword the obvious error in DMM M810.1.7. One commenter stated that if the Postal Service does require preparation of 3-digit trays prior to preparing 3-digit scheme trays, that this is contrary to what was agreed to at the Implementation Advisory Group meetings and also defeats the purpose of scheme sort by not allowing mailers to merge small quantities of some scheme 3-digit areas with larger quantities of others in order to meet a single 150-piece minimum quantity standard for the 3-digit scheme.

The Postal Service acknowledges that the wording of proposed section DMM M810.1.7 was misleading. This section was intended to give greater flexibility to mailers and not intended to require that 3-digit sorts would have had to been prepared prior to preparing 3-digit scheme sorts. The Postal Service agrees with mailers that this would be counterproductive, and notes the comment indicating that elimination of 3-digit scheme sort would increase the amount of mail falling into basic rate levels of sortation.

The Postal Service has re-reviewed comments opposed to requiring scheme sort that were received in response to the August 30 notice. Reasons for opposition were either not given (other than to say it would be a barrier to automation) or were based on desires not to change current software programs or to be able to use the same software sortation program for both automation and nonautomation mail. As pointed out to these mailers in the comments section of the proposed rule, mailers will be required to change their software because of major changes under Classification Reform in the way mail is sorted, including different sortation

rules for automation mail and nonautomation mail.

Accordingly, the Postal Service has revised the DMM language in this final rule to require use of 3-digit scheme sort. A separate labeling list in DMM L003 contains the information needed to sort to 3-digit schemes and to sort non-scheme 3-digit ZIP Codes to direct 3-digit trays. This will simplify sortation rules to avoid confusion such as that encountered with the Proposed rule, and also, as pointed out by a commenter, ensure that mail is sorted to the finest extent possible. This will also ensure that mailers will qualify the most mail possible for 3-digit Automation rates.

g. 5-Digit Scheme Sortation for Automation Flats

One commenter indicated a desire for implementation of a 5-digit scheme sort for automation flats. Five-digit scheme sortation for automation flats is not foreseeable in the near future. The Postal Service will look at the feasibility of such sortation after it has implemented 3-digit scheme sortation for automation flats.

h. 3-Digit Scheme Sort for Flats

Four comments were received concerning provisions for a 3-digit scheme sort for automation flat mailings. All four expressed a desire that these schemes be available on the date of implementation because it will benefit both the Postal Service and mailers. One commenter also pointed out that it would prevent the cost of installing another software change if this was implemented on the same date as Classification Reform.

The Postal Service believes that a 3-digit scheme list for flats is feasible and has begun work on developing such a sortation scheme. However, work will not be completed in time to make this available with Classification Reform implementation. The 3-digit scheme sort for flats should be available in 1997.

i. Value Added Mailings

Nine comments were received concerning the Postal Service's proposal to include only pieces with postage affixed at an automation First-Class or automation Standard Mail rate in mailings presented under the value added refund (VAR) procedures in DMM P014.4. All nine commenters strongly disagreed with this proposal and stated that the original intent of value added refund procedures was to encourage the upgrading of Presorted First-Class Mail to barcoded mail. Two commenters pointed out that this was never offered for discussion with

members of the Implementation Advisory Group. One commenter indicated that this will reduce the volume of barcoded mail received by the Postal Service. One commenter indicated that this standard increases the postage risk of presort bureaus because the bureaus will be required to affix 5-cent postage to each nonbarcoded piece rather than 2-cents, and it is unlikely the difference could be recovered from the mailer. One commenter indicated that no mailer would be able to remeter all the pieces that did not qualify for barcoded rates. Two commenters indicated that not all pieces coming into their shop will enter into the automation mailstream. One of these further indicated that this will cause problems for mailers when doing a handsort on nonautomation mail.

In response to mailer comments, the Postal Service has determined to continue to allow mail having postage affixed at the Presorted First-Class rate or presorted nonautomation Regular Standard rates, to continue to be mailed under the value added refund program.

j. Optimizing 5-Digit Sortation for Automation Letters

One commenter asked whether mailers would be able to continue to optimize 5-digit sortation of Automation letters by moving some but not all pieces able to be sorted to 5-digit trays to 3-digit or 3-digit scheme trays to bring the total number of pieces sorted to the 3-digit/scheme destination to the minimum of 150 pieces.

Because 5-digit sortation is optional for Automation mail, mailers are not required to sort all possible pieces to the 5-digit level. Accordingly, if a mailer has more than 150 pieces for a 5-digit ZIP Code destination and fewer than 150 pieces for a 3-digit or 3-digit scheme destination, mailers will be permitted to move pieces that potentially could have been sorted to 5-digit destinations to a 3-digit/scheme level of sortation. Each 5-digit destination would have to be left with a minimum of 150 pieces trayed to that destination and each 3-digit/scheme destination would also have to have a minimum of 150 pieces trayed to that destination. Furthermore, the pieces that could have been placed in a 5-digit tray but were actually placed in a 3-digit or 3-digit scheme tray would have to be documented and reported as qualifying for 3-digit automation rates.

k. Grouping of Pieces in AADC and Mixed AADC Trays in Automation Letter Mailings

One commenter requested that this standard be dropped because it would be impractical to sort mail within AADC

and mixed AADC trays into 3-digit or AADC groups in his MLOCR operation. This commenter indicated that if the MLOCR determines on the first pass that there are fewer than 150 pieces for a particular 3-digit ZIP Code, then, on the second pass groups with fewer than 150 pieces for a 3-digit or 3-digit scheme will be aggregated to appropriate AADC or mixed AADC bins. Imposing the standard for ZIP Code sortation within the AADC and mixed AADC trays would require costly and time-consuming additional presort passes on this mail to sort it into 3-digit sequence.

The Postal Service maintains that for mailers using presort software, or even sorting manually, it should not be a burden to maintain 3-digit/scheme groupings when placing mail in AADC trays or to maintain groupings by AADC within mixed AADC trays. However, the Postal Service acknowledges that this could be problematic for some MLOCR users depending upon how mail is sorted to bins on the second pass. The Postal Service is retaining this standard because it allows mailings to be easily matched to standardized documentation during verification, or if weigh verification is used, to determine that mail is presorted to the finest extent possible. However, the Postal Service will waive this standard for MLOCR users who submit standardized documentation.

In addition, the Postal Service has reviewed its need for pieces within mixed AADC trays grouped by AADC to be further subgrouped by 3-digit ZIP Code within each AADC group. This 3-digit subgrouping would also be burdensome to MLOCR users sorting to AADC bins. Also, documentation of these 3-digit subgroupings within mixed AADC trays could potentially require a mailer to list every 3-digit ZIP Code in the country. The Postal Service has determined that the added length to required documentation and added sortation complexity is not outweighed by the gains in ease of verification. Accordingly, the final implementing DMM language will require only grouping by AADCs within mixed AADC trays.

l. Numeric ZIP Code Standard for Automation Letter Mail

One commenter questioned the meaning of proposed DMM E241.1.1c that required Regular Periodicals barcoded letter rate mail to "Bear a delivery address that includes the correct numeric ZIP+4 or 5-digit ZIP Code (or, only if prepared with a delivery point barcode (DPBC), the numeric equivalent to the DPBC)." This commenter asked whether this section

meant that the entire DPBC numeric must be printed in front of the delivery point barcode as part of the ZIP Code correction process allowed MLOCR mailers.

This standard means only that each piece in an automation mailing must bear a numeric ZIP Code in the address and that this ZIP Code can be either a 5-digit, ZIP+4, or delivery point numeric ZIP Code at the choice of the mailer, with the exception that a delivery point numeric code is only permitted on pieces bearing a delivery point barcode.

m. Request for Elimination of Required Tray Sortation Level

One commenter wanted to begin sortation at the AADC tray level if the cost of manual presortation was found to be higher than the savings from sorting mail to qualify for 3/5 rates and 3- and 5-digit automation rates.

The presort rates are based on presorting mail to the finest extent possible, with the exception that 5-digit trays are optional for automation rate letters and for the upgradable presort option for nonautomation letters. Accordingly, mailers will be required to prepare 3-digit trays of automation letter mail any time there are at least 150 pieces for a 3-digit ZIP Code before preparing AADC trays. Similarly, for upgradable Presorted First-Class and upgradable nonautomation Regular Standard Mail preparation, 3-digit trays will be required any time there are at least 150 pieces for a 3-digit ZIP Code prior to preparing AADC trays. For all other mailings, preparation of all possible 5-digit trays and 3-digit trays is required prior to preparing ADC trays.

n. ACT Tags

Two comments were received in response to the Postal Service's removal of the standard for mailers to apply ACT tags to trays of automation First-Class letters. One commenter applauded the decision to drop this standard. One commenter pointed out that current DMM P014.4.14c requires mailers to sleeve, band, and ACT tag all trays in a mailing for which a value added refund (VAR) request will be submitted. The commenter requested that the Postal Service remove this standard from the DMM.

The DMM language in this final rule removes the requirement for use of ACT tags within VAR mailings. However, mailers participating in other special programs such as multiple acceptance times may still be required to prepare mail with ACT tags.

3. Letter Mail

a. Standard To Prepare All Letter Mail in Trays

Eight commenters responded to the Postal Service's proposal to require preparation of all letter mail entered at reformed subclasses in trays. Six of the comments were opposed to this standard for Enhanced Carrier Route Standard Mail. Two were opposed to it as a standard for any letter mail, and one was concerned about the availability of trays.

Three commenters indicated the traying standards would result in higher preparation costs for their mailings and loss of cube on trailers for drop shipment. One of these commenters indicated that this standard and others led to a net loss for his company despite the decrease in Automation rates. Two commenters indicated that since the attributable costs underlying the proposed Enhanced Carrier Route rates were based on flat-sized mail, and therefore letter-size mail is paying a higher rate, letter mailers should have the option of traying or sacking this mail. One commenter stated that heavy letters, which are not automation-compatible due to weight, would be more efficiently handled in sacks since more pieces could fit into a sack than in a tray resulting in fewer containers for the Postal Service and mailers to handle. One commenter stated the Postal Service should be prepared to allow optional forms of preparation such as bundles on pallets in the event of tray shortages. Another commenter stated that Enhanced Carrier Route letter mail should be allowed to be prepared as packages on pallets provided such preparation is limited to 5-digit pallets. This commenter believed this limited packages on pallets preparation would not have a great impact on handling for the Postal Service and would alleviate the demand for trays.

Trays are the most efficient method of containerizing letter mail for the Postal Service. Since the Postal Service prepares letter mail in trays, it is important that all mailer prepared letter mail be prepared in trays. Accordingly, the DMM standards set forth in this final rule require that all letter mail, except for Nonprofit Standard and Preferred Periodicals, be prepared in trays. It should also be clarified that although encouraged, it is *not* required that Standard or Periodicals letters prepared in trays be palletized. Mailers will be permitted to bedload trays of letter mail. However, if a mailer wants to palletize Standard letter mail, it must be prepared in trays on pallets, with one short-time exception. If, as described in

the section on flat-size mail, the letter-size piece also meets the definition of an automation-compatible flat, and a portion of the mailing job is mailed at the automation Regular Standard flats rate, until January 1, 1997, all the pieces in the mailing job may be prepared in packages placed directly on pallets provided all pieces pay the applicable rates as a flat-size piece and the amount of nonautomation Regular Standard mail palletized in this manner does not exceed 10% of the amount of Enhanced Carrier Route and Automation Regular Standard mail in the mailing job. After January 1, 1997, all letter mail, other than letter mail meeting the dimensions of an automation flat and mailed at those rates, must be prepared in trays and preferably in trays on pallets.

The Postal Service acknowledges that trayed mail can sometimes fill trailers more quickly than the same amount of mail prepared in sacks, and that the number of pieces that can be placed in a trailer might affect a mailer's decision as to whether to prepare mail for destination entry discounts. The standard to use both 1-foot and 2-foot trays will aid in assuring the most efficient use of trailer space under the traying environment. As indicated in response to a previous comment, the Postal Service recognizes that many mailers will be affected by start-up costs for new preparation criteria and possibly some additional ongoing costs. However, the Postal Service believes that these preparation criteria are necessary to achieve one of the goals of Classification Reform of encouraging mail that is most efficient for the Postal Service to handle.

One commenter indicated that they now prepare letter mail in sacks in which they mix letter-size and flat-size mail (this mail is a flat only because it exceeds 1/4-inch in thickness). This mailer indicated that the standard to tray letters and sack flats will be a problem for them causing their mailstream to be split four ways (barcoded vs. nonbarcoded and trayed vs. sacked). One commenter stated if they could not sack their letters they would like to tray their flats so their automated handling systems could handle only one type of equipment. Similarly, one commenter requested the ability to place automation Standard flats in flats trays since it is not efficient to prepare both barcoded tray labels and barcoded sack labels.

Currently, mailers are not permitted to mix mail of different mail processing categories in the same mailing, except for limited circumstances under which mailers may combine machinable and irregular parcels. The standard for

separate mailings for separate mail processing categories will continue under Classification Reform. Letters and flats are handled under two separate mail processing streams and must not be merged together in the same mailing. Under Classification Reform, mail exceeding 1/4 of an inch in thickness and classified as a flat will therefore be required to be sacked or prepared as packages on pallets. The Postal Service also will not permit flat mail to be prepared in letter trays due to the strong chance this mail will be directed to letter sorting operations where such pieces will not process on mechanized or automation letter sorting equipment. As indicated in the last two notices, Standard flats will not be permitted to be prepared in flats trays upon implementation of Classification Reform. The Postal Service plans to initially limit the use of these trays to First-Class flats to allow for a more gradual change to a future operating environment in which all flat mail will be prepared in trays (except for Standard Mail and Periodicals prepared as packages on pallets). Currently, the Postal Service processes First-Class flats in trays. Generally, flats trays are better handled at processing and distribution center facilities and Airmail Facilities than sacks which are more conducive to BMC processing. At processing and distribution center facilities and at AMFs the Postal Service has tray handling systems. When barcoded flat mail is distributed on flat sorting machines using the barcode, there are instances where the flat mail is dispatched in flat trays to the next handling or destination regardless of class. Therefore, it is likely that as part of transitioning all classes of flats mail to tray preparation, allowing automation-compatible (barcoded) flat mail in trays would be the next step, albeit a future step.

b. 150-Piece/Full Tray Standard

Twenty-two commenters responded to the Postal Service's proposal to require 150 pieces per 5-digit ZIP Code or 3-digit ZIP Code destination to qualify for 5-digit or 3-digit automation rates, and to be used as the basis for sorting to 5-digit, 3-digit and AADC trays. Six of these commenters also voiced concern over the standard for 150 pieces per 3-digit ZIP Code area being the basis for rate qualification and sortation for the 3/5-digit nonautomation Regular Standard rates.

Nine commenters cited specific examples of rate degradation in the automation rate categories and four commenters were concerned about rate degradation in the 3/5-digit

nonautomation Regular Standard rate categories. These commenters indicated that the 150-piece minimum would cause varying percentages of their mail to drop from 5-digit to 3-digit, or from 3-digit to basic within the automation rates, or from 3/5-digit to basic in the nonautomation Regular Standard rates. Most of these commenters had concerns regarding the shift in rate qualifications based on a comparison of the qualification criteria under the current 10-piece/50-piece minimums to qualify for current barcoded rates or the current 125-piece/15-pound criteria to qualify for current 3/5-digit non-automation rates and the new 150-piece qualification rules.

One commenter indicated that because the proposed automation rates were slightly lower than current rates the rate impact might balance out for the barcoded portion of the mailing, but that since the rates for nonbarcoded mail were increasing, it would raise their total postage bill. Two commenters stated that the 150-piece rule would have a big impact on 5-digit rate qualifications, one indicating all his current 5-digit mail will move to the 3-digit qualification level resulting in a 3% postage increase. The other indicated that the 150-piece standard at the 5-digit level would force many mailers into moving their mail into the Enhanced Carrier Route subclass since they may have many carrier routes that will meet the 10-piece package minimum, but very few groups of 150-pieces to a particular 5-digit ZIP Code. One commenter indicated that modeling based on the 150-piece criteria showed that some of his third-class customers would pay higher rates under Classification Reform even though their lists were close to 100% barcoded. One commenter indicated they will probably discontinue preparation of 5-digit sortations in order to be able to continue qualifying mail for the 3-digit level, and that this degradation of presort seems counter-productive to the Postal Service.

Other commenters had further concerns over the rate implications for mail that could physically fill trays but would not meet the 150-piece standard. Sixteen commenters in total requested that the Postal Service allow mailers two choices to qualify for rates, one based upon physically full trays without regard to the number of pieces within them, and the other the proposed 150-piece minimum. These commenters indicated that enforcement of the 150-piece standard will cause a tremendous hardship on the ability of mailers of thicker pieces to discount mail. One commenter stated he thought the idea

was to fill trays. Six commenters further requested that the physically full tray option allow full 1-foot trays to qualify for rates without regard to number of pieces. Two commenters indicated a physically full tray criteria for rates and sortation would promote tray usage efficiencies. One commenter stated that the definition of a full tray should be 85% full because this is flexible enough to allow mailers to calculate the number of pieces needed to fill a tray and would resolve mailer consternation over near misses such as 130 pieces filling a tray but not being eligible for a rate. Two commenters believed the Postal Service should perform market surveys to gather data on mail volume characteristics to assess the impact of the 150-piece minimum on its customers.

Some of these commenters provided statistics on the number of pieces that would fill trays as requested by the Postal Service in the proposed rule. One commenter indicated they had pieces for which 47 to 65 pieces would fill a 1-foot tray. Five commenters cited pieces that would fill two-foot trays ranging from as few as 63 pieces upwards to 140 pieces per tray. One commenter pointed out that by his estimate "heavy" letter mail, weighing up to 3.4383, which will be permitted to qualify for letter-size barcoded rates under Classification Reform, would generally average 125 pieces per 2-foot tray. Another commenter also noted the Postal Service's provisions for including "heavy weight" mail in the Automation mailstream and indicated this will "probably encourage a growing volume of such letters that fill trays in less quantity than lighter weight mail." Another commenter pointed out that allowing an option to base the qualification and sortation on a physically full tray would allow more opportunity for larger size pieces that meet both the letter size dimensions and the automated flat dimensions to be prepared as a barcoded letter.

Two commenters also stated that basing the traying criteria on the 150-piece minimum could result in service degradation since much mail now trayed to the 5-digit or 3-digit level will drop down to the AADC level. Two other commenters indicated that this drop in sortation level will result in more residual or mixed AADC mail to be processed by the Postal Service at the local SCF because some mail currently placed in AADC trays will not be able to meet the 150-piece standard and will subsequently be trayed at the mixed AADC level. These commenters questioned whether the Postal Service could handle this volume and questioned whether requiring a move

from an AADC tray to a mixed AADC tray made any sense from a mail processing standpoint.

One commenter stated that basing rates on the average number of pieces that fill a 1-foot tray makes sense only if adequate supplies of 1-foot trays are available and was concerned that if they were not and overflow had to be placed in a 2-foot tray it would result in loss of cube space for drop shipment purposes.

One commenter questioned whether the 150-piece rule applied to postcards since 150 postcards equals only about 4 inches of mail.

One commenter stated his thickness varies and in many instances 150 pieces will not fit in a single tray. Another indicated that sometimes he produces sub-150-piece count trays containing mail of varying thicknesses under a manifesting agreement. This commenter indicated that because he manifests he cannot arbitrarily move mail around to fill trays. One commenter indicated that at only 125–140 pieces per tray none of this mail would qualify and the customer would have to revise their mailing package which could result in losing sales.

Several commenters who advocate addition of an "or full tray" criteria to the qualifications for First-Class and Standard Regular Automation mail and to Standard Regular Nonautomation mail, challenged the reasons given by the Postal Service in the Proposed rule for keeping the standard at 150 pieces. Four commenters indicated that having an option to base discounts on full tray should not complicate acceptance too much since mailers are currently preparing and documenting this mail now under tray-based rules and the Postal Service is currently accepting it.

Five commenters responded to the Postal Service's statement that if a physically-full tray qualification criteria were instituted, it would be based on a physically full 2-foot tray rather than a one-foot tray. These commenters stated this makes no sense since the Postal Service is basing the 150-piece rule on a one-foot tray. Three of these commenters stated this would be unfair since it would require these mailers to make twice as many trays to achieve equal qualification levels.

One commenter stated that allowing physically full trays to qualify without a piece limit does not make sense from a unit (per piece) cost or gross profit standpoint in that the Postal Service would have to transport up to six trays of thicker Standard Mail for every one tray of First-Class Mail, and would receive less revenue for the Standard Mail.

One mailer of Standard pieces indicated that it appears the 150-piece standard was designed primarily for MLOCR barcode sorter users. This commenter indicated that since 90% of mailers do not use barcode sorters, this reasoning should not apply to them. One commenter simply stated that the level playing field argument does not make sense.

Four commenters challenged the Postal Service's argument that the 150-piece minimum per 3-digit area to be applied to nonautomation Regular Standard Mail will not keep qualification levels equivalent to today arguing that today mail can qualify based on either 125 pieces or 15 pounds of mail. Two commenters gave examples wherein their mailings currently require only 75 pieces or 80 pieces to meet the 15-pound minimum. These mailers indicated that the 150-piece rule will either double or increase by 78% the number of pieces they will need to qualify for the 3/5 rate. These commenters also pointed out that the dual standard of 200 pieces or 50 pounds still applies as the minimum quantity standard for each Standard mailing.

The Postal Service believes that applying a 150-piece minimum to an entire 3-digit area to qualify for 3/5 nonautomation Regular Standard rates will, on average, result in comparable or better rate qualifications when compared to current qualification criteria, even for heavier pieces of mail. Currently, the 125-piece/15-pound sacking rules are applied separately to 5-digit sacks and to 3-digit sacks. The two commenters with pieces meeting the 15 pound requirement with 75 to 80 pieces of mail to an individual 5-digit or 3-digit sack, would still be able to meet the 150-piece requirement per 3-digit area in instances where they had an equivalent number of pieces that are now contained in two 5-digit sacks for the same 3-digit area, or in other combinations of 5-digit and 3-digit sacks for the same 3-digit area. Mailers who currently qualify for this rate based on a separate 125-piece requirement should, on average, be able to qualify more mail for 3/5 rates since the 150-piece rule applies to an entire 3-digit area and not to individual 5-digit or 3-digit trays.

The Postal Service would like to point out to the two commenters who were concerned that they could not qualify for automation rates based on the 150-piece rule because they could not fit 150 pieces in a single tray, that the Postal Service has provided for overflow trays wherever it has established a 150-piece minimum. This means that if a mailer

has 150 pieces for a given sortation level, the mail will qualify for the rate regardless of the number of trays it takes to tray the mail to that sortation level. Likewise, for thinner pieces, if the 150 piece minimum for a rate level is met, the mail will qualify for that rate even if 150 pieces does not fill a tray.

The rate design approved for automation letters provides reduced rates for these mailings. Those rates are based in part on more stringent preparation standards that allow more efficient Postal Service processing of that mail. Under the Automation Standard Mail (A) letter rates, certain mailers could experience a minor increase in postage over what they pay today given a number of assumptions, such as that all mail not eligible for an automation carrier route rate moves to the 3-digit barcoded rate level, and that there are no basic automation rate pieces in the mailing. This hypothetical postage increase would also be offset by any pieces which the mailer now qualifies for basic rates, because there is a significant decrease in the basic automation rates under Classification Reform.

Overall, the Postal Service believes that the automation letter discount levels and preparation standards will lower postage bills for automation mailings for most mailers of all three classes. Under current Barcoded rate mailing rules, a large portion of mail qualifying for 5-digit and 3-digit rates is already prepared in full 2-foot trays without packages. Because the 150-piece standard is based on a 1-foot tray, most mailers should be able to place even more mail in full 5-digit and 3-digit trays under this standard.

The 150-piece minimum represents an average of the average number of First-Class pieces that can fill three-fourths of a 1-foot tray and the average number of Standard letter-size pieces that can fill three-fourths of a 1-foot tray. This 150-piece average is applied uniformly to all letter mail classes for purposes of determining rate qualification and for determining when to prepare a particular sortation level of tray for automation presort in the final DMM standards published in the latter part of this rule. The purpose of the standard is to apply rates to tray levels and to eliminate as much as possible the preparation of packages for automation mail. Basing the standard on an average number of pieces it takes too fill a 1-foot tray also provides the opportunity for the Postal Service to increase the number of pieces sorted to 5-digit and 3-digit destinations for the vast majority of letter mail.

The Postal Service reiterates that it also desires to apply rates on an equal basis to all mailers. The application of the 150-piece rule allows mailers of postcard-size or other thin pieces to qualify for rates in the same way that thicker pieces can qualify, and in the same way as the vast majority of mail in the middle of this spectrum. Since the 150-piece standard is based on an average of averages for First-Class and Standard Mail, the Postal Service believes this standard is equitable for both classes of mail. Moreover, the rates being implemented are based on cost and volume figures that relied on the 150-piece criteria.

The Postal Service recognizes that pieces exist that can fill trays with fewer than 150 pieces and that mailers of these pieces may not be able to qualify as many pieces for 5-digit and 3-digit automation rates under a 150-piece rule as they would under a physically full tray rule. However, these mailers will not experience any more of a rate degradation than will any other letter mailer at automation rates. Testing with heavy letters has shown the Postal Service that heavier pieces reduce automation productivity. Thicker pieces also result in more tray handlings for the Postal Service, and increased use of cube in its transportation systems, as compared to an equal number of thinner pieces. It is noted that all but one of the commenters requesting application of rates based on physically full trays were Standard rate mailers. Standard Mail postage does not increase with weight as does First-Class Mail, which means the same minimum piece postage will be received regardless of the thickness of the pieces, up to the minimum per piece rate weight breakpoint. Accordingly, if the Postal Service allowed these thicker pieces to obtain rates at quantities of less than 150 pieces, the Postal Service would be granting a rate break to mail that will cost it more to process. Although the Postal Service has permitted heavier weight pieces to qualify for automation rates, we do not feel it is in our best interest to encourage mailers to increase the thickness of their pieces in order to lower their rate qualification thresholds. One commenter indicated he could fill a 1-foot tray with as few as 47 pieces. It would be hard to justify to the commenters to this rule who were concerned about rate degradation in terms of moving from a 50-piece per 3-digit qualification standard to a 150-piece qualification standard, why we were allowing a mailer of thicker pieces (and therefore more expensive to process) to qualify even fewer pieces

than are required today (47) for a 3-digit rate, while maintaining that they must continue to meet the 150-piece rule to qualify.

The Postal Service recognizes that the 150-piece sortation rules, when applied to pieces that fill 1-foot or 2-foot trays with fewer than 150 pieces may result in instances where mail ends up not being sorted to as fine a level as if a full tray rule were instituted. By the same token, the Postal Service will be obtaining finer levels of sortation through use of the 150-piece rule from thinner pieces. On average, the Postal Service feels that the 150-piece rule will provide a good level of sortation for most mail. In the past the Postal Service has attempted to fine-tune mailing standards and rates to meet the needs of a variety of unusual mailpieces that constitute a small percentage of the mailstream. The result was a Domestic Mail Manual and rate schedule that led to public outcries for "simpler rules." As indicated in past notices and proposals, another benefit to having only one set of preparation criteria is simplicity. Currently the Postal Service provides three different types of sortation for barcoded letter mail. It strongly wants to maintain only one type of preparation under Classification Reform. Classification Reform to a great extent is about simpler preparation rules, and the Postal Service has determined to keep it that way. Therefore, the final rules in this notice retain the 150-piece rules and do not permit qualification for rates based on an indeterminate number of pieces that would produce a physically full tray.

c. Overflow Trays

One commenter disagreed with the Postal Service's proposal to require use of overflow trays in those instances where the 150-piece rule is applied. The Postal Service is retaining this rule in order to ensure that mail is sorted to the finest extent possible.

d. Use of both 1-foot and 2-foot trays

Fifteen commenters responded to the Postal Service's proposal to require letter-size mailings to be prepared in a combination of 1-foot and 2-foot trays in a manner that will result in the fewest number of trays. Seven commenters stated that use of two sizes of tray should be left to the mailer's discretion in that it will be in the mailer's interest as well to use the fewest number of trays. Three of these commenters indicated that the Postal Service could re-evaluate making this a standard at a later date if it finds mailers are not preparing mail in an economical fashion. Five commenters had concerns

about pallet preparation in that use of two sizes of tray could lead to unstable shipments. One of these commenters requested that all 1-foot or all 2-foot trays be permitted for purposes of building pallets. Five commenters were opposed to this standard stating it will create a very difficult manufacturing operation to manage and will cause significant production costs. One of these commenters indicated it will eliminate his ability to automate the sleeving and banding process and doubles the capital and space needed. Two commenters were concerned whether the Postal Service will have adequate supplies of the different sizes of trays. One of these commenters was particularly concerned about the availability of extended mail trays. This mailer indicated difficulties in obtaining adequate quantities of extended mail trays now and asked the Postal Service to indicate the steps it is taking to ensure adequate supplies since moving mail from extended mail trays to standard letter trays jeopardizes their mail production strategy. Another commenter similarly stated that shortages of 1-foot trays that would result in mailers having to use only 2-foot trays in their mailings would result in problems in determining drop shipment loads and would increase cube space needed on transportation. One commenter stated required use of both 1-foot and 2-foot trays will be a barrier to mailers preparing Automation mail.

The 150-piece minimum quantity to qualify for automation letter rates is based on the preparation of average size pieces in a 1-foot tray in order to make it easier for mailers to qualify for those rates, and to provide more full trays to direct destinations thereby lessening any loss of presort to the Postal Service. In order to increase the number of direct trays to sortation destinations for all letter mailings, the proposed DMM language would require use of both 1-foot and 2-foot trays for all mailings of letter-size pieces in all reformed subclasses. The Postal Service does not want to potentially double its number of tray handlings by allowing a mailing to be prepared entirely in 1-foot trays. Also, the Postal Service does not want to increase transportation costs by shipping an increased number of less-than-full 2-foot trays. Accordingly, the standard to use both 1-foot and 2-foot trays where appropriate is considered necessary by the Postal Service. The final DMM language contained herein requires mailers to fill as many 2-foot trays as possible before filling 1-foot trays.

The Postal Service recognizes that this standard will cause mailers to make major changes to their production lines and to maintain a supply of both 1-foot and 2-foot trays. It is believed that presort software developed to accommodate the Classification Reform presort structure will include mail documentation that provides information as to what size tray mail should be placed in as well as indicating where the tray breaks are. If this type of software is used it may not be necessary to create two separate production lines for the different tray sizes. The Postal Service is anticipating the increased need for both sizes of trays and has purchased additional supplies. In addition the Postal Service is continuing to review the need to purchase more trays. If local shortages of a particular size tray develop, mailers will have to tray using the tray size that the Postal Service provides. For example, if only 2-foot trays are provided, all mail would be placed in 2-foot trays. If only 1-foot trays are provided, the entire mailing would be placed in 1-foot trays. This may require working out individual mailing solutions locally.

Mailers must use their own judgment when building pallets of trays containing both sizes of trays. The elimination of the proposal to require separate layers of trays on pallets for different mailings should help mailers to build stable pallets. An exception is that pieces at automation rates must not be combined with mail at nonautomation rates on 5-digit pallets. The standard to place destination delivery unit trays on the top of the pallet has also been eliminated. Accordingly, mailers may build pallets of trays based solely on the weight of the trays (heavier trays must be on the bottom) and the pallet destination.

Since mailers will be required to use a combination of 1-foot and 2-foot trays for all letter mail, including presorted nonautomation mailings, the Postal Service does not agree that this standard will be a barrier to automation.

e. Tray Sleeving and Strapping

Six commenters responded to the Postal Service's proposal to require that all trays used to prepare letter-size mailings be both sleeved and strapped with limited exceptions for mail destined for the service area of the entry post office and an exception to strapping only for trays contained on 5-digit, 3-digit, and SCF pallets. Two commenters requested that the Postal Service eliminate this standard because it requires a private equipment purchase on the part of mailer's and an increase

in their processing burdens. These commenters pointed out that the Postal Service already has adequate capacity to strap all outgoing trays, and one suggested that the Postal Service use stretchwrapped pallets in its outgoing processing of mail to decrease its own need for strapped trays. Two commenters requested that the Postal Service delay implementation of this standard to allow mailers time to purchase and install strapping equipment, one suggesting at least a 6-month delay. Two commenters pointed out a discrepancy between the language in the comments section of page 66595, section p, proposed DMM M045.5.5 (which implied mail on any stretchwrapped pallet was exempt from strapping standards), and the lack of changes to P014.4.14c which requires all trayed mail submitted under value added refund procedures be both sleeved and strapped.

The Postal Service will require sleeving and strapping of all trays of mail prepared under all reformed subclasses, with the exception that mail entered within the service area of an SCF which is for delivery within the SCF area may obtain a local exception to the tray strapping standard, and that strapping of individual trays placed on stretchwrapped 5-digit, 3-digit, and SCF pallets will not be required. All trays in all circumstances will be required to be sleeved. Mail transported without first being sleeved is susceptible to spillage and damage during transportation and handling. This is especially true for automation mail in which full trays will not contain banded packages. A strap around the tray is also necessary to maintain the integrity of the tray and its contents during transportation and handling. For example, because trays of mail sorted in a BMC move on belts and down chutes during mechanized distribution, sleeves that are not strapped to trays could slide off and the contents of the tray could spill. Trays transported by air are handled in many different ways and also need to be strapped to maintain their integrity. Because local mail is not subject to the same type or amount of transportation as other mail, an exception may be made for the strapping of this mail, however, it has been determined that sleeving will still be necessary.

For palletized mailings, sleeving will be required for all trays, but strapping will be required only for trays placed on ADC, ASF, BMC, mixed ADC, and Mixed BMC pallets. These pallets must be broken down and the trays further transported before reaching the local SCF or plant and accordingly must be

strapped to maintain their integrity during handling and transportation.

The discrepancies in the DMM language contained in the proposed rule have been corrected in this final rule to reflect the above policy, which will apply to all mail including that prepared under value added refund provisions.

The Postal Service will require sleeving and strapping effective July 1, 1996. A major element of the Postal Service's Classification Reform initiative is to remove costs from the postal processing system, thereby enabling rates to remain stable for longer periods of time. Accordingly, the Postal Service believes implementation of this standard at the time Classification Reform is appropriate.

f. Elimination of 3-Digit Carrier Routes Trays.

One commenter stated that the Postal Service may be seriously underestimating the number of 1-bundle trays that will be created by elimination of 3-digit trays for barcoded carrier route mail. This mailer indicated that he currently prepares a lot of 3-digit trays which each contain only a few carrier route bundles for different 5-digit areas. He indicated that almost every bundle currently in 3-digit carrier routes trays will be required to be prepared in a separate 1-bundle, 1-foot tray upon implementation of Classification Reform. He believes these trays will be a problem to both mailers and the Postal Service in terms of the increase in the number of trays needed to prepare a mailing, and the resultant increase in the amount of air being shipped in those trays which will impact drop shipment efforts.

The Postal Service recognizes that elimination of 3-digit carrier routes trays will increase the total number of trays needed to prepare the carrier route portion of automation First-Class mailings and to prepare Enhanced Carrier Route mailings. However, preparation of carrier route mail in direct carrier route or 5-digit carrier routes trays will eliminate the breakdown and distribution of 3-digit carrier routes trays at the plant level. This means trays can be routed directly to the appropriate piece of automated equipment, or to the postal facility where the carriers are located, without costly and time consuming resorting of the mail in 3-digit trays. The use of 1-foot trays for those 5-digit areas having only a few or one carrier route package should eliminate a lot of the air being shipped both by mailers and the Postal Service. Mailers will need to make their own cost-benefit analyses concerning

whether drop shipment will be beneficial to them. The Postal Service has increased its procurement of 1-foot trays in order to meet the anticipated demand under Classification Reform.

g. Banding Material for Package Preparation

Five commenters responded to the proposed standards that would prohibit use of string or plastic strapping for preparation of packages in less-than-full trays of automation mailings, and would require use of separator cards in lieu of any banding material in full 5-digit carrier routes trays within automation First-Class and automation Enhanced Carrier Route mailings. Five commenters were opposed to the prohibition of string or plastic banding on automation mail, and one other to the prohibition against plastic strapping only. One commenter indicated it would cost him \$150,000 to replace tying machines, and that he can't use rubber bands because of carpal tunnel syndrome complaints from his employees. One commenter was concerned primarily because it is problematic to have several different standards for different mailings within the same mailing job, such as in some places it is required to use separator cards, in some instances they are prohibited, sometimes rubber bands are required, and sometimes string and plastic strapping is required. This commenter would like the standards to be consistent for all mailings since having different standards causes mailer operational problems in terms of supply inventories, training, processing, and quality checking. One commenter indicated that the rules are not clear and appear to be contradictory in different places in the proposed DMM language.

The standards for preparing packages or group separations for First-Class, Regular Standard, Enhanced Carrier Route Standard, and Regular Periodicals are contained in DMM M020.3.0. The Postal Service has determined to continue to allow packages in automation related mailings (automation First-Class, automation Regular Standard, automation Enhanced Carrier Route Standard, and automation Regular Periodicals, as well as upgradable Presorted First-Class and upgradable nonautomation Regular Standard Mail), to be prepared using either rubber bands, elastic strapping, plastic strapping, or string. However, preparation using rubber bands or elastic strapping is optimal for efficient Postal Service handling of the aforementioned automation-related mailings because this material is quick and easy to remove and eliminates the

debris created by removal of string and plastic strapping. Accordingly, the Postal Service encourages mailers to prepare letter-size mailings using rubber bands or elastic strapping under Classification Reform and plans at some future point to institute this standard for automation and upgradable mailings. The Postal Service will work with mailers on the timing of making rubber bands a requirement.

In certain locations the Postal Service may take 5-digit carrier routes trays and sort them using automated equipment to individual carrier routes for subsequent DPS sequencing on CSBCS equipment. Accordingly, the Postal Service is retaining the standard to prepare full 5-digit carrier routes trays within automation mailings with separator cards. However banding material must be used in all other instances where packaging is required, (less-than-full trays or any trays consisting entirely of postcard-size pieces within automation and upgradable mailings, and all packages prepared for presorted nonautomation letters and all presorted flats).

h. Machinability (Automation-Compatible) Standards

One commenter requested that the Postal Service relax its machinability standards (as they relate to automation mailings) to allow more mailers to prepare automation mail.

The Postal Service cannot spontaneously relax machinability standards. The current standards are based on the type of mail that is capable of being processed on currently available Postal Service MLOC and barcode sorting equipment.

i. Standards for Upgradable Mail

One commenter would like to see handwritten mail permitted to be prepared under the upgradable option for nonautomation Presorted First-Class and nonautomation Regular Standard Mail.

The upgradable option for nonautomation mail is for mail that has a high likelihood of being read by current optical character readers (OCRs). The Postal Service does not at this time wish to extend the upgradable preparation option to mail that would require more costly RBCS processing.

4. Flat Mail

a. Palletization Sortation Standards

Three comments were received in regard to the new palletization make-up standards that: contained revised levels of pallet sortation, and added a standard that all mail presented on pallets be

sorted to pallets to the finest extent possible. One commenter indicated support of the standard allowing 10% of the total pallets to be working pallets since it will eliminate most sacks and thereby streamline production lines and improve the quality of mailpieces. One commenter requested clarification as to whether automation Standard trayed letter mail would be required to be sorted to SCF and BMC pallets, and if so would they still be eligible for destination BMC/SCF discounts. One commenter stated the new preparation standards are a rate increase without a rate case due to the need for new software and more labor by mailers.

If presented to the Postal Service on pallets, trayed automation Standard letter mail will be required to be sorted to SCF and BMC pallets (and ASF pallets if drop shipment rates are claimed at ASFs). Up to 10% of the mail on these pallets could be submitted on Mixed BMC pallets. Trayed mail on SCF pallets will be eligible for SCF discounts if entered at the SCF facility, and carrier route, 5-digit carrier routes, 5-digit, 3-digit and ADC or AADC trays for destinations within the service area of the BMC or ASF will be eligible for BMC discounts if entered at the BMC or ASF. Determination of BMC rate eligibility for all mail in AADC trays and for all mail in ADC trays, sacks, or packages placed on pallets, will be made based upon whether the ADC or AADC 3-digit ZIP Code that appears on the top line of the tray or sack label in DMM L004 (or the ZIP Code assigned to the ADC in DMM L004 for the package) is within the BMC service area.

As pointed out in previous notices, although there is a standard to prepare letter-size mail in trays, there is no standard to place those trays on pallets. However, if mailers choose to palletize trays of letter-size mail, the trays must be palletized according to the sortation standards set forth in DMM M040.

The standard to sort all mail placed on pallets rather than submitting unsorted mail on working pallets is necessary for efficient Postal Service operations. Receiving unsorted mail on a pallet means that the pallet must be staged somewhere in the plant where it must be broken down, sorted to other containers, and dispatched. When large quantities of unsorted pallets are received at a plant, the facility can run out of space to place the pallets that are waiting to be broken down and sorted. In most instances it is more efficient to unload the contents of bedloaded trucks at a BMC directly into the sortation stream than it is to move a working pallet to a staging area, break it down, and then direct it to a sorting operation.

The purpose of palletization of mail is to allow the Postal Service to cross-dock entire pallet loads of mail to particular destinations eliminating the need to break down and sort all the pallets at the entry postal facility. Accordingly the Postal Service is retaining the standard that mail presented on pallets must be sorted to required destinations with a minor portion (no more than 10%) received on working pallets.

b. Mail Meeting the Standards for Both Letters and Automation-Compatible Flats

Eight commenters had concerns regarding the preparation of mailpieces that meet the size standards for a letter size piece as well as the size standards for an automation flat-size piece.

Six commenters stated that mailers should have the option of preparing their mail in a manner associated with the rates they are paying. That is, if a mailer chooses to pay rates associated with flat-size mail, the mailer should be able to prepare this mail as a flat in sacks, or as packages on pallets; and conversely, if a mailer chooses to pay letter rates the mail must be prepared in trays or preferably in trays on pallets.

The Postal Service disagrees with this position. The Postal Service processes mail in different mailstreams based on the mail processing category of the mailpiece, i.e., letter, flat, automation flat, machinable parcel, irregular parcel or outside parcel. The mail processing categories are defined by the size dimensions or size and weight and other physical characteristics of the mailpieces as defined in DMM C050. Therefore, even if a letter pays a flat rate it would be processed by the Postal Service as a letter. The Postal Service therefore wants letter-size mail prepared in trays and the trays labeled to show they contain letter-size pieces so they can be directed to the appropriate letter processing stream. Letter and nonletter rates are developed on the basis that mail meeting the letter-size characteristics is processed as letters and mail meeting the flat-size or parcel characteristics is processed as flats or parcels as appropriate. Accordingly, the DMM standards reflected in this notice will require mail meeting the letter-size dimensions in DMM C050 to be prepared as a letter. The one anomaly in this rule is the automation flats category. Flat sorting machines can handle some smaller pieces that overlap into the letter-size processing category, and in the interest of encouraging preparation of barcoded flat mail, the Postal Service allowed this smaller mail to qualify for the barcoded flat rates. Accordingly the Postal Service will

continue to allow letter-size mail that also meets the size dimensions for an automation flat to be prepared according to the preparation standards for a flat, but only when such pieces are presented as part of an automation flats mailing.

In the proposed rule, the Postal Service proposed an accommodation for mailers of pieces that meet both the letter and Automation flats dimensions if they prepare that mail as packages on pallets. Under this accommodation, the Postal Service proposed that when a portion of the mailing job consisted of such pieces and was prepared as an automation flats mailing of packages on pallets, the Postal Service would allow the entire mailing job, which could include Enhanced Carrier Route and nonautomation Regular Standard mail, to be prepared as packages on pallets if no more than 10% of the total number of pieces in the mailing job were claimed at nonautomation Regular rates and provided the pieces claimed at the nonautomation Regular rates were paid at the non-letter rates. This was in recognition that mailers who prepare mail in packages on pallets would have more efficient mail preparation operations if allowed to prepare an entire mailing job in the same manner. Seven commenters disagreed with the 10 percent limit on the Regular mail (now nonautomation Regular Standard Mail). Six of these commenters reiterated the reason above, that if they are paying flats rates they should be able to prepare their mail as a flat without limit. One commenter indicated he didn't understand the rationale, especially if pieces over 3 ounces are not run on automated letter sorting equipment. One commenter stated that the 10% limit should be increased to 15% to accommodate the mail that previously could have been prepared as part of a barcoded flat mailing under the 85/15 barcoding rules. One commenter stated that if there was no limit on carrier route mail there should be no limit on the amount of Regular mail prepared in the mailing job. This commenter further indicated that there appears to be insufficient justification in terms of Postal Service benefits to offset complications in mailer operations.

At the time the Postal Service proposed this accommodation to mailers preparing packages on pallets, it was working under the terms of its proposal to the PRC in which the Enhanced Carrier Route subclass did not contain separate rates for letter and flat mail. The Postal Service determined that it would overlook any additional preparation costs it incurred by not having the letter-size carrier route mail

prepared in trays since there was no separate letter rate. However, the PRCs recommended decision approved by the Governors includes separate letter and flat rates for Enhanced Carrier Route mail. This change in the rate structure, together with fairness issues related to giving an exception for palletized mail but not for sacked mail, has caused the Postal Service to rethink its proposed accommodation for palletized mail. As reiterated in the beginning of this section and elsewhere in the comments concerning letters, the Postal Service is handling all letter mail in trays in its internal operations and for the sake of processing category recognition and efficiency in handling, wants all letter mail presented for entry by mailers to be prepared in letter trays. The Postal Service believes that preparation of letter-size Enhanced Carrier Route mail as well as nonautomation Regular letter mail in trays, and preferably in trays on pallets, is the most efficient preparation for its operations. The Postal Service will therefore not offer the exception set forth in the proposed rule, for palletized mailing jobs that contain a portion prepared as an automation flats mailing indefinitely. That exception will be terminated on January 1, 1997. At that time the Postal Service will provide that, for mailing jobs consisting of mailpieces meeting the definitions of both a letter and an automation flat, only the portion submitted as an automation Regular Standard flats mailing may be prepared as a flat. Letter-size pieces entered as Enhanced Carrier route and nonautomation Regular mailings must be prepared according to their letter-size classification as trayed mailings, and preferably as trays on pallets.

c. Physically Full Flats Trays

One comment was received that supported the Postal Service's proposed definition of a full flats tray as one that is physically full. This is further defined in DMM M011.1.3 as a minimum of a single stack of mail lying flat on the bottom of the tray and filling the tray to the bottom of the handholds. When there is additional mail for the same tray destination and additional pieces can be stacked in the tray, it must be further filled to capacity.

5. Periodicals

Two mailers submitted comments concerning the proposed Publications Service subclass standard. As the Publications Service subclass was not recommended by the PRC, these comments will not be addressed.

6. Addressing

a. Move Updates

Eighteen comments were received concerning the proposal to require automation First-Class and Presorted First-Class mailers to update the addresses of their customers who have moved within 6 months of the mailing date. One commenter supported the proposal. One commenter stated there was no support for the proposal within the mailing industry.

The Postal Service believes the methods currently available to provide updated address information to customers offer a wide range of options that can meet the needs of mailers at reasonable cost. For example:

Use of the endorsement "Address Correction Requested" means the mailpiece will be returned to the sender with the new address information affixed. This service is provided at No Additional Charge to the mailing customer. The mailer may then update the address information, use a new envelope and mail the piece to the new address.

Use of the endorsement "Forwarding and Address Correction Requested" means the mailpiece is forwarded to the new location and the Postal Service sends a hard copy notice to the mailer with the new address information. This notice can be used to update the mailers address and costs \$0.50 for each notice.

Use of Address Change Service provides the mailer with an electronic notice of new address information instead of a hard copy notice. Electronic notices cost \$0.20 and can be obtained on a variety of electronic media. Mailers may determine the frequency with which they use the ACS endorsement and participant code so long as the mailer can certify that each address in a First-Class mailing has been updated for customer moves within 6 months prior to the date of the mailing.

Use of National Change of Address (NCOA) processing service can update mailers' address lists with corrected address information prior to a mailing. Mailers determine how frequently they process their address lists.

Use of these move update methods on mailings in other classes would meet the standard for the addresses in the mailing list and qualify them for access to automation First-Class or Presorted First-Class rates. Any new addresses added to the mailing list would be "move updated" during the next scheduled processing of the addresses.

One commenter stated that they are unable to use the current methods and two said they were too costly. The Postal Service incurs costs to rehandle

undeliverable-as-addressed mail and also incurs service delays when mail must be redirected to a new location. It is in the best interests of the Postal Service and mailers to improve deliverability and reduce costs. The options cited above provide flexibility to mailers in meeting the proposed standard, including the "no fee" Address Correction Requested endorsement.

Three commenters asked that implementation of the standard be postponed to allow time to adjust and obtain move updates. The Postal Service believes this proposal has merit. The Postal Service recognizes that many mailers will need to revise their addressing systems to accommodate move updating. Some will have to learn to use electronic update systems. Others will need to use up stocks of envelopes that do not bear an endorsement. Some mailers may need to experiment with several options, such as the impact of the two different endorsements, to determine which makes the best business sense for their operations. The Postal Service also wants to avoid creating a semi-annual "crunch" of demand for NCOA and ACS services that might occur if Move Update was implemented at the same time as the rate and classification changes resulting from Classification Reform. Thus, the Postal Service will begin the move update address qualification process at the time of Classification Reform implementation, but will not condition the eligibility of automation First-Class and Presorted First-Class mailings on complete move update qualification until January 1, 1997. This "ramp up" compliance period should give all concerned customers more than enough time to decide on the update method to use, obtain NCOA matching services if appropriate, implement internal system changes to accept electronic move update information and work with their internal customers or presort customers to obtain full compliance.

Several commenters expressed concern about the availability of service from NCOA licensees. The Postal Service believes the existing group of licensees has the capacity to continue to provide their services to mailers within the terms of the license (process and return address files within 7 business days of receipt.) If Postal Service determines that a legitimate need exists, it will increase the number of licensees.

Several commenters also asked that implementation be postponed indefinitely until other methods to do move updating, such as the Multiline Forwarding System, have been approved. The Postal Service does not

believe that such an open-ended delay is warranted, given the wide range of current options. Excellent progress has been made towards the implementation of the Multiline Forwarding System, now known as FASTFORWARDsm. The Postal Service expects the implementation process to continue on schedule with certification of the operating systems to occur during the summer of 1996. Mailers who choose this option will be able to meet the Move Update requirement well before the end of the "ramp up" period. The Postal Service plans to continue to work with MLOCR users through the Mailers Technical Advisory Committee and the Multiline Users Group on the development of the FASTFORWARDsm. As marketplace demands create a need, the Postal Service will also consider expanding the range of options in the existing services. For example, this might include adding additional notification options in Address Change Service beyond the current ones available.

Three commenters inquired if their in house address correction centers, to which they have devoted significant resources, might be certified as meeting the standard. For those mailers who believe their lists are up to date, the use of the "Address Correction Requested" endorsement should have little or no impact on their business practices because they are mailing to the most current address for their customer. The simple and straightforward use of the endorsement would meet the proposed standard with no difficulty, need only be applied to all addresses on the list at least once within the 6 months prior to the date of mailing and expenditures would be limited to the costs associated with preprinting the endorsement on mailing envelopes. The current endorsement options would be an effective approach to meeting the proposed standard for lists which are well maintained by special mailer move correction processes. The Postal Service will discuss additional alternatives with members of the Mailers Technical Advisory Committee and other industry representatives.

Three other commenters inquired whether a mailer was required to use the information provided from postal address correction processes and apply it immediately to their address lists. They asked if the notification could serve as a trigger to the company to initiate an inquiry with the customer about correcting address information. Four commenters indicated that various state and federal government agencies feel they are prohibited from using Postal Service provided corrections. In

most cases, mailers are expected to update their mailing addresses promptly. However the Postal Service recognizes that in some industries there may be legally mandated limits on the address that can be used in certain customer communications. For example, one commenter noted that in a number of states, notices of shareholder meetings must be sent to the address "in the corporation records." Given the concerns expressed by these mailers, the Postal Service has decided that in circumstances where clearly demonstrated legal constraints limit a mailer from using address changes provided by the Postal Service, an individually approved alternative process will be acceptable to meet the move update standard. Alternative process approval would be granted on a case by case basis and the legal limitation would need to be clearly identified. In this process, mailers would receive address change information from the Postal Service in any of the currently prescribed manners. This would be followed by a prompt mailer initiated direct mail contact with the customer requesting a signed verification of the address change. For example, the mailer could provide a preprinted barcoded Business Reply Card which the customer could sign and return. Address information could then be updated in the mailer's records prior to the next mailing cycle.

b. Carrier Route Sequencing Standards

16 comments were received on the proposed standards to sequence basic Enhanced Carrier Route Standard mail and Publications Service Periodicals carrier route mail. The proposal required update of sequence information to be done through any of the established sequencing methods or, for basic carrier route rates, use of the newly developed Line-of-Travel (LOT) product.

Two commenters said they would be unable to sequence their mailings. Two others asked that the High Density rate category in Enhanced Carrier Route Standard Mail be allowed to use line of travel sequence rather than exact walk sequence.

The Domestic Mail Classification Schedule which was recommended by the PRC and approved by the Governors specifies that High Density Enhanced Carrier Route Standard and High Density Regular Periodicals mailings must be prepared in walk sequence, and this requirement is incorporated in the DMM final rules. The approved DMCS provides that basic nonautomation Enhanced Carrier Route mail and basic automation Enhanced Carrier Route

mail be sequenced as prescribed by the Postal Service. The DMM language in this final rule prescribes that nonautomation basic Enhanced Carrier Route must be sequenced using either LOT or walk sequence. Sequencing will not be required for automation Enhanced Carrier Route letters. Furthermore, the approved DMCS does not specify sequencing for basic carrier route Regular Periodicals. Accordingly, the Postal Service has determined that sequencing will not be required for those rates in the final DMM standards.

Four commenters asked that, where sequencing is required, the Postal Service accept either ascending or descending order for sequencing. Commenters added that the turns in production runs may vary and it would be difficult to accurately predict which direction may result. One also speculated that the efficiencies gained would be the same going from end to beginning of the route as they would from beginning to end of the route. The Postal Service will identify mailers whose mailings are frequently in reverse order and work with them to ensure mailings are presented in the proper order.

Eight comments were received concerning the availability of the LOT product. LOT has been available for subscription since July 1995. Implementation of the sequencing standards will occur with the implementation date for Classification Reform. Mailers who are interested in obtaining the Line-of-Travel product should contact the National Customer Support Center at 1-800-238-3150 for subscription information. Continuing updates of LOT sequence information will occur with the same frequency that carrier route codes are updated.

c. Five Digit ZIP Code Verification

The Postal Service believes that accurate ZIP Codes are vital to ensuring consistent, timely delivery service. Moreover, the use of a correct ZIP Code is currently a standard for all presorted mail. Those who are unwilling to verify that the ZIP Codes they apply to mailpieces will not be allowed access to discounted postage rates that are based on ZIP Code presortation.

One commenter asked if the results of CASS processing would verify ZIP Code accuracy. If the mailer uses certified software and updates the ZIP Code information using the software, this would be considered an acceptable

verification method. One commenter said the standard should not be implemented because the Postal Service has received the revenue and can just discard Standard rate mail if it is undeliverable. The Postal Service disagrees. The Postal Service would still incur all the transportation and processing costs in addition to waste disposal fees.

Two commenters asked for a longer implementation period. Mailers will be expected to identify the method used to verify the ZIP Code information and sign a certification of verification attached to the postage statement. The Postal Service has decided to allow mailers 3 months from the date of Classification Reform implementation to verify the accuracy of their 5-digit ZIP Code information. The Postal Service believes this October 1, 1996, date provides adequate time in which to verify ZIP Code information. One commenter asked who would be responsible for ensuring ZIP Code accuracy. The person in control of the address would be responsible, however, others may offer services which would provide the verification. For example, an MLOCR could be used to apply a barcode representing the correct ZIP Code or a service bureau may offer a verification service as a part of their service line.

d. Carrier Route Updates

Five comments were received about the proposal to update carrier route information within 90 days of the date of mailing. Two comments suggested that the coding date should be 120 days, not 90 and one suggested 180 days. Two commenters questioned if the important date was the date of coding or the date of the AIS product being used. It appears that some commenters misinterpreted the chart which was included in the last Federal Register concerning this issue. The chart indicated all of the possibilities when data products would be valid for use, not how long the codes assigned by using the product would be valid. Carrier route assignments are more frequently changed to accommodate the operational needs of the Postal Service to balance a carrier's workload. Thus, the Postal Service believes the 90 day coding standard is reasonable. However, it is not the Postal Service's intent to require mailers to update their carrier route codes if no more current source of information is available. The Postal

Service believes the most current data available should be used in assigning carrier route codes. If new data files are not available, mailers should continue to use the existing route assignments until such time as new AIS products have been released by the Postal Service.

e. Address Information System Product Cycle Changes

Eight comments were received concerning the proposed increase in the frequency of required updates to AIS products. One commenter suggested the Postal Service publish a separate Federal Register notice to ensure that all affected parties are aware of the proposed changes. Three stated that it is difficult to implement the ZIP+4 product releases within the required 45 day window and that to add CRIS within the same window would be impossible. Another commenter added that they have experienced difficulty with software vendors fulfilling product updates consistently. Two other comments expressed concern about the possible cost increases. To ensure a smooth transition to the bimonthly product cycle, the Postal Service will begin bimonthly product fulfillment with the October 15 product release. Thereafter products will be released on December 15, February 15, April 15, June 15, and August 15. The Postal Service believes it has given adequate notice of these proposed changes through the various notices and mailer meetings that have been a part of the Classification Reform implementation effort. It also believes that the benefits which will accrue from more timely updates justify the additional effort that mailers will need to make to incorporate these product releases. However, as part of its customer information commitment, the Postal Service will continue to work with the vendor industry to resolve any remaining concerns about product production and fulfillment.

C. Examples of Standardized Documentation

The following pages show examples of documentation that would be produced under the requirements for standardized documentation described below.

BILLING CODE 7710-12-P

Report: USPS Qualification Report Mailer: Gump's Mailing Service Page: 1
 Entry: Jacksonville, FL 33203 Mail ID: 12345ABC
 Sort: Standard Mail, DMM M810 Date:

STANDARD MAIL AUTOMATION - Letters/Cards

Tray #	Tray Size	Tray Lvl	Tray ZIP	Group Dest	CB	5B	3B	BB	Running Total
1	1	CRD	74102	B050	148				148
2	1	CR5	74102	B050	25				173
3	1	CR5	75221	C080	15				188
				R009	20				208
				B090	30				238
4	2	CR5	87103	C002	151				389
				C016	222				611
5	2	5DG	82033			400			1011
6	2	5DG	92011			384			1395
7	1	3DGS	840	840			100		1495
				841			20		1515
				843			58		1573
8	1	3DGS	923	923			91		1664
				924			12		1676
				925			56		1732
9	2	3DG	802				450		2182
10	1	3DG	802				131		2313
11	1	AADC	550	550				76	2389
				551				75	2464
				556				14	2478
12	2	AADC	870	865				48	2526
				871				79	2605
				872				32	2637
				877				111	2748
				884				93	2841
13		MAAD	320	A507				12	2853
				A603				6	2859
				A702				42	2901
TOTALS					611	784	918	588	2901

Rate Summary	Pieces
Automation Carrier Route (CB)	611
Automation 5-Digit (5B)	784
Automation 3-Digit (3B)	918
Automation Basic (BB)	588
TOTAL Auto.	2,901

STANDARD MAIL REGULAR NONAUTOMATION - Letters (Nonupgradeable)

Report: USPS Qualification Report Mailer: Gump's Mailing Service Page: 1
 Entry: Jacksonville, FL 33203 Mail ID: 12345ABC
 Sort: Standard Mail, DMM M610 Date:

Tray #	Tray Size	Tray Lvl	Tray ZIP	Pkg Dest	Rates 3/5	BS	Running Total
1	2	5DG	12345	12345	110		110
2	1	3DG	123	12345	14		124
				12348	10		134
				123	31		165
3	2	5DG	20852	20852	57		222
4	2	3DG	280	28053	19		241
				28057	26		267
				280	63		330
5	1	3DG	282	280	40		370
6	2	ADC	280	28112		20	390
				28601		17	407
				288		51	458
				A214		10	468
7	2	MADC	33298	31044		12	480
				60607		15	495
				421		16	511
				A590		22	533
				A852		21	554
				M33298		22	576
TOTALS					370	206	576

<u>Rate Summary</u>	<u>Pieces</u>
3/5-Digit (3/5)	370
Basic (BS)	206
TOTAL Reg. Nonauto.	576

STANDARD MAIL AUTOMATION - Flats (Sacked)

Report: USPS Qualification Report Mailer: Gump's Mailing Service Page: 1
 Entry: Jacksonville, FL 33203 Mail ID: 12345ABC
 Sort: Standard Mail, DMM M820 Date:

Sack #	Sack Lvl	Sack ZIP	Pkg Dest	Rates 3/5B	BB	Running Total
1	5DG	12345	12345	140		140
2	5DG	12367	12367	225		365
3	3DG	123	12345	10		375
			12348	78		453
			123	81		534
4	ADC	120	12403	13		547
			12551	28		575
			12990	19		594
			121	23		617
			127	40		657
			A120		16	673
5	3DG	146	14621	75		748
			146	56		804
6	ADC	140	14201	100		904
			14911	10		914
			149	80		994
			A140		10	1004
7	MADC	33298	31044	12		1016
			421	16		1032
			A622		41	1073
			M33298		32	1105
TOTALS				1006	99	1105

Rate Summary	Pieces
Automation 3/5 (3/5B)	1,006
Automation Basic (BB)	99
TOTAL Auto.	1,105

STANDARD CLASS REGULAR NONAUTOMATION - Flats - Sacked
(Use same format for Irregular Parcels)

Report: USPS Qualification Report
 Entry: Schenectady, NY 123
 Sort: Standard Mail, DMM M610

Mailer: Gump's Mailing Service
 Mail ID: 12345ABC
 Date:

Page: 1

Sack #	Sack Lvl	Sack ZIP	Pkg Dest	Rates 3/5	BS	Running Total
1	5DG	12345	12345	140		140
2	5DG	12367	12367	225		365
3	3DG	123	12345	10		375
			12348	78		453
			123	81		534
4	ADC	120	12403		13	547
			12551		28	575
			12990		19	594
			121		23	617
			127		40	657
			A120		16	673
5	3DG	146	14621		75	748
			146		56	804
6	ADC	140	14201		100	904
			14911		10	914
			149		80	994
			A140		10	1004
7	MADC	120	31044		12	1016
			421		16	1032
			A622		41	1073
			M120		32	1105
TOTALS				534	571	1105

Rate Summary	Pieces
3/5-Digit (3/5)	534
Basic (BS)	571
TOTAL Reg. Nonauto.	1,105

STANDARD MAIL ENHANCED CARRIER ROUTE - Flats (Packages in Sacks)

(Example includes saturation rate qualification information which may be documented separately)

Report: USPS Qualification Report Mailer: Gump's Mailing Service Page: 1
 Entry: Louisville, KY 402 Mail ID: 12345ABC
 Sort: Standard Mail, DMM M620 Date:

Sack #	Sack Lvl	Sack ZIP	Group Dest	WS	Rates HD	CR	Running Total	Delv. Pts. Mailed to	Total Act. Delv.	Total Resid. Delv.	Percentage
1	CRD	33902	B050		233		233				
2	CR5	34252	C080			104	337				
			R009			70	407				
			B090			28	435				
3	CRD	40203	BOO1		261		696				
4	CRD	40665	C023	278			974	278		278	100
5	CRD	40665	C046		186		1160				
6	CR5	40665	C024			34	1194				
7	CR5	40974	C010			19	1213				
			R023			53	1266				
8	CRD	41701	C028	231			1497				
9	CRD	41701	C028	200			1697	431		450	95.7
9	CR5	47656	R009	9			1706	9		9	100
			CO10			124	1830				
10	CR5	47734	B004			100	1930				
			C076			113	2043				
			C001			11	2054				
TOTALS				718	680	656	2054				

Rate Summary	Pieces
Saturation (WS)	718
High Density (HD)	680
Basic (CR)	656
TOTAL Enh. Car. Rt.	2,054

STANDARD MAIL ENHANCED CARRIER ROUTE - Flats (Packages in Sacks)

Report: USPS Qualification Report Mailer: Gump's Mailing Service Page: 1
 Entry: Jacksonville, FL 33203 Mail ID: 12345ABC
 Sort: Standard Mail, DMM M620 Date:

Sack #	Sack Lvl	Sack ZIP	Group Dest	WS	Rates HD	CR	Running Total
1	CRD	33702	B050		233		233
2	CR5	34252	C080			104	337
			R009			70	407
			B090			28	435
3	CRD	40203	BOO1		261		696
4	CRD	40665	C023	278			974
5	CRD	40665	C046		186		1160
6	CR5	40665	C024			34	1194
7	CR5	40974	C010			19	1213
			R023			53	1266
8	CRD	41701	C028	231			1497
9	CRD	41701	C028	200			1697
9	CR5	47656	R009	9			1706
			CO10			124	1830
10	CR5	47734	B004			100	1930
			C076			113	2043
			C001			11	2054
TOTALS				718	680	656	2054

Rate Summary	Pieces
Saturation (WS)	718
High Density (HD)	680
Basic (CR)	656
TOTAL Enh. Car. Rt.	2,054

STANDARD MAIL TRAYS ON PALLETS - Letters**Example of Trays from Enhanced Carrier Route Mailing, Automation Mailing, and Upgradeable Regular Nonautomation Mailing Combined on Pallets**

Use same format for sacks on pallets.

Report: USPS Qualification Report Mailer: Gump's Mailing Service Page: 14
 Entry: Jacksonville, FL 33203 Mail ID: 12345ABC
 Sort: Standard Mail, DMM M610, 620, 800 Date:

PALLET #17				LEVEL: BMC		DESTINATION: 90901								Running Total
Tray #	Tray Size	Tray Lvl	Tray ZIP	Group Dest	WS	HD	CR	Rates 5B		3B	BB	3/5	BS	
1	2	CRD	91902	B050		233								20,233
2	2	CR5	91952	C080			124							20,357
				R009			70							20,427
				B090			28							20,455
3	2	CRD	92003	BOO1		261								20,716
4	2	CRD	92010	C023	221									20,937
5	2	CRD	92010	C023	221									21,158
6	2	CR5	92010	C023	24									21,182
				C046		186								21,368
6	1	CR5	92023	C010		127								21,495
				R023			53							21,548
7	2	CR5	92031	C028		237								21,785
8	2	CR5	92101	R009			109							21,894
				CO10			114							22,008
9	2	CR5	92110	B004			100							22,108
				C076		126								22,234
				C001			11							22,245
10	2	5DG	92121									237		22,482
11	1	5DG	92137					119						22,601
12	2	5DG	92138					232						22,833
13	2	3DGS	923	923						91				22,924
				924						82				23,006
				925						56				23,062
14	2	3DGS	923	923						71				23,133
				924						84				23,217
				925						60				23,277
15	2	3DG	928									222		23,499
16	2	3DG	928									236		23,735
17	2	3DG	930									221		23,956
18	2	3DG	932									219		24,175
19	2	3DG	934									217		24,392
20	2	3DG	935									224		24,616
					466	1,170	609	351	444			1,576		

Total Pieces on Pallet: 4,616

Pallet Weight: 1154 lbs

Rate Summary	Pieces	Rate Summary	Pieces	Rate Summary	Pieces
Saturation (WS)	466	Automation 5-Digit(5B)	351	3/5-Digit	1,576
High Density(HD)	1,170	Automation 3-Digit (3B)	444		
Basic (CR)	609				
TOTAL Enh Car Rt	2,245	TOTAL Automation	795	TOTAL Reg. Nonauto.(Upg)	1,576

Provide pallet summary by rate for each pallet, and by mailing and entry point for plant-verified drop shipments (PVDS)

PALLET #, PALLET LEVEL, and Pallet DESTINATION information may be shown above the pallet detail listing or to the left of the detail listing. Sack number and size columns not required for sacks on pallets. Show tray numbers and tray size if information is available.

STANDARD MAIL - COMBINED/COPALLETIZED - Flats (Packages on Pallets)

Report: USPS Qualification Report Mailer: Gump's Mailing Service Page: 14
 Entry: Chicago IL 606 Mail ID: 12345ABC
 Sort: Standard Mail, DMM M045 Date:

(The two pallets listed below represent a partial listing of pallets in a large job.)

Pallet #	Pallet Lvl	Pallet ZIP	Pack-age Lvl	Package Dest	WS	HD	CR	Rates 3/5B	BB	3/5	BS	Running Total
26	SCF	606	CR	60606 C021	550							18550
			CR	60606 C033	671							19321
			CR	60606 C048	589							19810
			5DG	60606				78				19888
			5DG	60606						11		19899
			CR	60707 C101		326						20225
			CR	60707 C113	602							20827
			5DG	60707				167				20994
			5DG	60707						22		21016
			3DG	607				243				21259
			3DG	607						163		21422
PALLET TOTALS					2412	326		488		196		

Rate Summary	Pieces	Rate Summary	Pieces	Rate Summary	Pieces
Saturation (WS)	2,412	Automation 3/5 (3/5B)	488	3/5-Digit	196
High Density (HD)	326				

TOTAL Enh. Car. Rt.	2,738	TOTAL Automation	488	TOTAL Reg. Nonauto.	196
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Pallet total Pieces: 3422
 Pallet Weight: 855 lbs.

(Continued on next page)

Report: USPS Qualification Report Mailer: Gump's Mailing Service Page: 15
 Entry: Chicago IL 606 Mail ID: 12345ABC
 Sort: Standard Mail, DMM M045 Date:

Pallet #	Pallet Lvl	Pallet ZIP	Package Lvl	Package Dest	WS	HD	CR	Rates 3/5B	BB	3/5	BS	Running Total
27	BMC	60808	5DG	46412				400				21822
			3DG	464				12				21834
			CR	53112 C003		130						21964
			5DG	53112				14				21978
			5DG	53711				49				22027
			3DG	539						85		22112
			5DG	60813				128				22240
			3DG	610				87				22327
			ADC	A606					423			22750
			ADC	A606							161	22911
PALLET TOTALS						130		690	423	85	161	

Rate Summary	Pieces	Rate Summary	Pieces	Rate Summary	Pieces
High Density (HD)	130	Auto. 3/5-Digit (3/5B)	690	3/5-Digit (3/5)	85
TOTAL Enh. Car. Rt. 130		Automation Basic (BB)	423	Basic (BS)	161
		Total Automation	1,113	TOTAL Reg. Nonauto.	246

Pallet total Pieces: 1,444 Pallet Weight: 361

(The totals below represent the total pieces in the combined mailings at each rate level and for the mailings)

TOTALS	18332	1211	641	12109	2357	773	835	36258
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Rate Summary*	Pieces	Rate Summary*	Pieces	Rate Summary*	Pieces
Saturation (WS)	18,332	Auto. 3/5 (3/5B)	12,109	3/5-Digit (3/5)	773
High Density (HD)	1,211	Auto. Basic (BB)	2,357	Basic (BS)	835
Basic (CR)	641				
TOTAL Enhanced Car Rt	20,184	TOTAL Automation	14,466	TOTAL Reg. Nonauto.	1,608

Grand Total Pieces: 36,258 Grand Total Weight: 90,645 lbs.

For co-palletized mailings, add a column to further identify contents of packages by product or edition code, and a summary of the applicable rates for each product or edition by pallet and for the copalletized mailings. When documentation is printed, this column detail may be shown for only the first 20 pallets and every 20th pallet thereafter reported on the same documentation and verified at the same time provided the mailer maintains full package detail for 90 days and can provide it to the Postal Service upon request within 3 working days. When this abbreviated documentation is used, a summary of the applicable rates for each product or edition by pallet and for the mailing must still be shown.

(Mailing summary by rate : roll up of all rates for all pallets (by entry point) . For co-palletized mailings, provide pallet summary by rate for each product or edition by pallet and by mailing.

PALLET # , PALLET LEVEL, and Pallet DESTINATION information may be shown above the pallet detail listing or to the left of the detail listing.

FIRST-CLASS MAIL AUTOMATION - Letters/Cards

Report: USPS Qualification Report

Mailer: Gump's Mailing Service

Page: 1

Entry: Chicago IL 606

Mail ID: 12345ABC

Sort: First Class, DMM M810

Date:

Tray #	Tray Size	Tray Lvl	Tray ZIP	Group Dest*	CB	5B	Rates 3B	BB	Running Total
1	1	CRD	74102	B050	148				148
2	1	CR5	74102	B050	25				173
3	1	CR5	75221	C080	15				188
				R009	20				208
				B090	30				238
4	2	CR5	87103	C002	151				389
				C016	222				611
5	2	5DG	82033			400			1011
6	2	5DG	92011			384			1395
7	1	3DGS	840	840			100		1495
				841			20		1515
				843			58		1573
8	1	3DGS	923	923			91		1664
				924			12		1676
				925			56		1732
9	2	3DG	802				450		2182
10	1	3DG	802				131		2313
11	1	AADC	550	550				76	2389
				551				75	2464
				556				14	2478
12	2	AADC	870	865				48	2526
				871				79	2605
				872				32	2637
				877				111	2748
				884				93	2841
13		MAAD	606	A507				12	2853
				A603				6	2859
				A702				42	2901
TOTALS					611	784	918	588	2901

Rate Summary

Automation Carrier Route (CB) 611

Automation 5-Digit (5B) 784

Automation 3-Digit (3B) 918

Automation Basic (BB) 588

TOTAL Auto. (letters or cards) 2,901

*In Group Destination (Dest) column report separate groups within a tray level including: carrier routes in a 5-digit tray, 3-digit ZIP codes in scheme trays and in AADC trays, and AADC groups in a mixed AADC trays.

Note: If cards and letters are combined, separate rate columns and totals are needed for each.

Separate 500 piece minimums must be met for each

Separate rate columns must be included if 1, 2 and 3 oz. permit imprint pieces are included in mailing.

FIRST-CLASS MAIL PRESORTED - Letters/Cards (Upgradeable)

Report: USPS Qualification Report

Mailer: Excellent Mailing Service

Page: 1

Entry: Chicago IL 606

Mail ID: 23345ABC

Sort: First Class, DMM M130 Date:

Tray #	Tray Size	Tray Lvl	Tray ZIP	Group Dest*	Presort Pieces	Running Total
1	1	AADC	550	547	112	112
				551	93	205
2	2	5DG	62033		400	605
3	1	3DG	641		159	764
4	1	3DG	645		166	930
5	2	AADC	640	640	96	1026
				644	89	1115
				655	113	1228
				658	126	1354
6	1	3DG	840		197	1551
7	2	5DG	92011		384	1935
8	1	3DG	919		170	2105
7	2	3DG	931		415	2520
8	2	3DG	946		397	2917
9		MAAD	606	A507	15	2932
				A603	22	2954
				A702	11	2965
TOTALS					2965	2965

Rate Summary

Total Pieces Presorted Rate: (letters or cards) 2,965

* In Group Destination (Dest) column report separate groups within a tray level including: 3-digit ZIP codes in AADC trays and AADC groups in mixed AADC trays.

Note: If cards and letters are combined, separate rate columns and totals are needed for each.

Must be minimum of 500 pieces of each.

Separate rate columns must be included if 1, 2 and 3 oz. permit imprint pieces are included in mailing.

FIRST-CLASS MAIL PRESORTED -Letters/Cards (Nonupgradable)

Report: USPS Qualification Report

Mailer: Friendly Mailing Service

Page: 1

Entry: Albany NY 120

Mail ID: 33345ABC

Sort: First Class, DMM M130 Date:

Tray #	Tray Size	Tray Lvl	Tray ZIP	Pkg Dest	PresortP ieces	Running Total
1	1	5DG	12345	12345	200	200
2	2	3DG	123	12345	10	210
				12346	50	260
				12347	40	300
				12348	100	400
				123	200	600
3	1	ADC	210	21211	11	611
				21445	32	643
				254	80	703
				A210	116	819
4	1	MADC	120	31044	12	631
				421	16	647
				A530	22	669
				A680	41	710
				M604	32	742
TOTALS					742	742

Rate Summary**Total Pieces Presorted Rate: (letters or cards) 742**

Note: If cards and letters are combined, separate rate columns and totals are needed for each.
 Must be minimum of 500 pieces of each.
 Separate rate columns must be included if 1, 2 and 3 oz. permit imprint pieces are included in mailing.

STANDARD MAIL REGULAR NONAUTOMATION - Letters (Upgradeable)

Report: USPS Qualification Report
 Entry: Chicago IL 606
 Sort: Standard Mail, DMM M610

Mailer: Excellent Mailing Service
 Mail ID: 23345ABC
 Date:

Page: 1

Tray #	Tray Size	Tray Lvl	Tray ZIP	Group Dest*	Rates 3/5	BS	Running Total
1	1	AADC	550	547		112	112
				551		93	205
2	2	5DG	62033		400		605
3	1	3DG	641		159		764
4	1	3DG	645		166		930
5	2	AADC	640	640		96	1026
				644		89	1115
				655		113	1228
				658		126	1354
6	1	3DG	840		197		1551
7	2	5DG	92011		384		1935
8	1	3DG	919		170		2105
7	2	3DG	931		415		2520
8	2	3DG	946		397		2917
9		MAAD	606	A507		15	2932
				A603		22	2954
				A702		11	2965
TOTALS					2288	677	2965

Rate Summary	Pieces
3/5-Digit(3/5)	2,200
Basic (BS)	677
TOTAL Reg. Nonauto.	2,965

* In Group Destination (Dest) column report separate groups within a tray level including:
 3-digit ZIP codes in AADC trays and AADC groups in mixed AADC trays.

STANDARD MAIL REGULAR NONAUTOMATION - Letters (Nonupgradeable)

Report: USPS Qualification Report
 Entry: Albany NY 120
 Sort: Standard Mail, DMM M610

Mailer: Friendly Mailing Service
 Mail ID: 33345ABC
 Date:

Page: 1

Tray #	Tray Size	Tray Lvl	Tray ZIP	Pkg Dest	Rates 3/5	BS	Running Total
1	2	5DG	12345	12345	110		110
2	1	3DG	123	12345	14		124
				12348	10		134
				123	31		165
3	2	5DG	20852	20852	57		222
4	2	3DG	280	28053	19		241
				28057	26		267
				280	63		330
5	1	3DG	282	280	40		370
6	2	ADC	280	28112		20	390
				28601		17	407
				288		51	458
				A214		10	468
7	2	MADC	130	31044		12	480
				60607		15	495
				421		16	511
				A590		22	533
				A852		21	554
				M130		22	576
TOTALS					370	206	576

Rate Summary	Pieces
3/5-Digit (3/5)	370
Basic (BS)	206
TOTAL Reg. Nonauto.	576

FIRST-CLASS MAIL PRESORTED - Flats

Report: USPS Qualification Report

Mailer: Friendly Mailing Service

Page: 1

Entry: Albany NY 120

Mail ID: 33345ABC

Sort: First Class, DMM M130 Date:

Tray #	Tray Lvl	Tray ZIP	Pkg Dest	Presort Pieces	Running Total
1	5DG	12345	12345	96	96
2	3DG	123	12345	10	106
			12346	50	156
			12347	40	196
			123	91	287
3	3DG	123	123	186	473
4	ADC	210	21010	11	484
			21411	22	506
			211	70	576
			A210	116	692
5	MADC	120	31044	12	704
			421	16	720
			A530	22	742
			A970	41	783
			M120	32	815
TOTAL				815	815

Rate Summary

Total Pieces. Presorted Rate: 815

STANDARD MAIL AUTOMATION - Flats (Sacked)

Report: USPS Qualification Report
 Entry: Albany NY 120
 Sort: Standard Mail, DMM M800

Mailer: Friendly Mailing Service
 Mail ID: 33345ABC
 Date:

Page: 1

Sack #	Sack Lvl	Sack ZIP	Pkg Dest	3/5B	Rates BB	Running Total
1	5DG	12345	12345	140		140
2	5DG	12367	12367	225		365
3	3DG	123	12345	10		375
			12348	78		453
			123	81		534
4	ADC	120	12403	13		547
			12551	28		575
			12990	19		594
			121	23		617
			127	40		657
			A120		16	673
5	3DG	146	14621	75		748
			146	56		804
6	ADC	140	14201	100		904
			14911	10		914
			149	80		994
			A140		10	1004
7	MADC	120	31044	12		1016
			421	16		1032
			A622		41	1073
			M120		32	1105
TOTALS				1006	99	1105

Rate Summary	Pieces
Automation 3/5-Digit (3/5B)	1,006
Automation Basic (BB)	99
TOTAL Auto.	1,104

**STANDARD MAIL REGULAR NONAUTOMATION-
Flats & Irregular Parcels (Sacked)**

Report: USPS Qualification Report
 Entry: Albany NY 120
 Sort: Standard Mail, DMM M610

Mailer: Friendly Mailing Service
 Mail ID: 33345ABC
 Date:

Page: 1

Sack #	Sack Lvl	Sack ZIP	Pkg Dest	Rates 3/5	BS	Running Total
1	5DG	12345	12345	140		140
2	5DG	12367	12367	225		365
3	3DG	123	12345	10		375
			12348	78		453
			123	81		534
4	ADC	120	12403		13	547
			12551		28	575
			12990		19	594
			121		23	617
			127		40	657
			A120		16	673
5	3DG	146	14621		75	748
			146		56	804
6	ADC	140	14201		100	904
			14911		10	914
			149		80	994
			A140		10	1004
7	MADC	120	31044		12	1016
			421		16	1032
			A622		41	1073
			M120		32	1105
TOTALS				534	571	1105

<u>Rate Summary</u>	<u>Pieces</u>
3/5-Digit (3/5)	534
Basic (BS)	571
TOTAL Reg. Nonauto.	1,105

D. Summary of DMM Changes

The DMM revisions shown below are the revisions published in the December 22, 1995, proposed rule, as modified to reflect inadvertent errors, comment responses, and the recommendations of the PRC as approved by the Governors. These revisions use as their base the text of DMM Issue 49 (September 1, 1995) as amended thereafter by notices published in the Federal Register or Postal Bulletin. Revisions are described by module of the DMM. This list is intended as an overview only, and should not be viewed as definitive.

A (Addressing). Revisions in nomenclature are made throughout. A930 is revised to update the list of available AIS products, and A950 is revised to show the more frequent product cycle for address coding products.

C (Characteristics and Content). Revisions in nomenclature are made throughout. C100 is amended to reflect the proposed new size limits for pieces eligible for card rates. C300 and C400 are revised and merged into new C600 to recognize the merger of third- and fourth-class into Standard Mail. Terms used in various standards are defined in new sections added to C810, C820, and C840. A new section is added to C810 to describe the standards for enclosed reply pieces.

D (Deposit, Collection, and Delivery). Revisions in nomenclature are made throughout. D300 and D400 are revised and merged into new D600 to recognize the merger of third- and fourth-class into Standard Mail.

E (Eligibility). Revisions in nomenclature are made throughout. E100 is amended to consolidate the standards for First-Class Mail (excluding Priority Mail) into a unit on Presorted (nonautomation) mail and automation rate mail (in E130 and E140, respectively). E200 is renamed to recognize the renaming of second-class mail as Periodicals. E210, E250, and E270 are revised minimally. E230 and E240 are reorganized to present, respectively, the presort (nonautomation) rate and automation rate eligibility standards for Regular Periodicals, and to separate the standards retained for Preferred Periodicals in E239 and E249. E300 and E400 are revised and merged into new E600 to recognize the merger of third- and fourth-class into Standard Mail. E610 presents basic standards for all Standard Mail in E611, for former third-class mail, now called Standard Mail (A) in E612, and for former fourth-class mail, now called Standard Mail (B) in E613. E620 contains standards for

single-piece rates: single-piece Standard Mail (A) (E621), parcel post (E622), bound printed matter (E623), Special Standard Mail (currently special fourth-class mail) (E624), and Library Mail (E625). E630 presents standards for bulk rates: Regular Basic and 3/5 (E631); Enhanced Carrier Route Basic, High Density, and Saturation (E632); basic and carrier route bulk bound printed matter (E633); 5-Digit and BMC Presorted Special Standard Mail (E634); and, consolidated but without substantive change from current standards, for all existing Nonprofit rates (E639). E640 contains standards for automation rates: automation Carrier Route, 5-Digit, 3-Digit, 3/5 (for flats), and Basic (E641); and, also consolidated but essentially unchanged from current standards, for all existing Nonprofit rates (E649). E650 and E670 are revised minimally. Although the PRC's recommendation, as approved by the Governors, includes automation rate carrier route letter mail in the Enhanced Carrier Route subclass, for administrative purposes and for organizational simplicity in its rules, the Postal Service is presenting the standards for that mail as part of the broader standards in E641 (and, below, in M810) for automation rate Standard Mail.

F (Forwarding and Related Services). Revisions are confined to changes in nomenclature and minor editorial changes.

G (General Information) and I (Index Information). No revisions are made except to update address information, indices, and the Summary of Changes.

L (Labeling Lists). Revisions in nomenclature are made throughout. L002 is reorganized to present information for all 3-digit ZIP Code areas to show where each 3-digit prefix is assigned for 3-digit, 3-digit/scheme, and SCF distribution. L003 is added to list the 3-digit ZIP Code areas that are combined for scheme sortation under specific new preparation standards. To reflect the wider use of the ADC network, current L101 is relocated and renumbered as L004, with distinctions shown where appropriate for the respective ADC destinations to which First-Class, Periodicals, or Standard Mail is to be directed. For irregular Standard Mail (formerly third- and fourth-class irregular parcels), L702 and L707 are renumbered as L603 and L604, respectively. To reflect other revisions to distribution networks that have eliminated SDC, state, and mixed states preparation, L201–203, L701, L703, L704, and L706 are deleted.

M (Mail Preparation and Sortation). Revisions in nomenclature are made

throughout. Current M011 is renumbered as M012, and new M011 is added to consolidate basic definitions of terms used throughout other mail preparation instructions and to provide basic information about the Presort Accuracy Validation and Evaluation (PAVE) program. M012 and M013 are also updated to include revised formats for optional endorsement lines and carrier route information lines and to allow the inclusion of rate markings in both. M020 is amended to provide more consistent package preparation standards for other-than-Nonprofit mail. M033 is revised to add consistent standards for tray preparation for letter- and flat-size mail and to offer enhanced information about sack and tray preparation. M040 is amended to incorporate revisions to pallet preparation standards set forth in a final rule published on December 21, 1995 (60 FR 66142–66149). M041 is revised to present general standards for pallets and their use. M045 reorganizes the standards in current M042, M043, and M044 as amended by the cited rulemaking, to present the revised and consolidated standards for palletized mail preparation. M050 is revised to include information about line-of-travel sequencing. M100 is reorganized, with the standards for Presorted First-Class located in new M130. Preparation standards for nonautomation Regular Periodicals are in new M210; existing standards for nonautomation Preferred Rate Periodicals are consolidated in M290. M300 and M400 are revised and merged into new M600 to recognize the merger of third- and fourth-class into Standard Mail. Regular Standard Mail (A) preparation is detailed in M610. Enhanced Carrier Route standards are in M620, and existing standards for Standard Mail (B) (current fourth-class mail) and for Nonprofit Standard Mail are contained in M630 and M690, respectively. Revised preparation standards for automation rate First-Class, Regular Periodicals, and Standard Mail are contained in M810 (letter-size pieces) and M820 (flat-size pieces). M890 brings forward existing standards for Preferred Periodicals and Nonprofit Standard Mail. Throughout, the optional city preparation level has been eliminated (except for Preferred Periodicals) and the SDC, state, and mixed states preparation levels have been replaced with ADC and mixed ADC levels.

P (Postage and Payment Methods). Revisions in nomenclature are made throughout. P012 is amended to improve the definition of “standardized” documentation and to

include information about PAVE as a source for standardized postage documentation. P300 and P400 are revised and merged into new P600 to recognize the merger of third- and fourth-class into Standard Mail. P100 and P600 are revised to provide information about single-piece rate mail presented at the same time as a mailing at an automated rate. P710 is amended to contain new abbreviations for use with manifest mailings.

R (Rates and Fees). Revisions in nomenclature are made throughout. R000 contains updated stamp and stamped stationery information. R100 and R200 are amended to reflect revised rates and rate structures. R300 and R400 are revised and merged into new R600 to recognize the merger of third- and fourth-class into Standard Mail and to show revised rates and rate structures.

S (Special Services). Revisions in nomenclature are made throughout with no other substantive changes.

Although exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites comments on those revisions to the DMM set forth below that have been specifically identified in the discussion as new proposals available for comment:

1. New standards applied to Periodicals that are similar to those adopted in this final rule for First-Class and Standard Mail:

a. All pieces in an automation rate mailing must be delivery point barcoded.

b. Presort and other preparation standards, including a 150-piece minimum for preparing trays of automation rate letter-size mail.

c. 5-digit ZIP Codes used in the addresses on nonautomation rate Periodicals must be verified annually for accuracy; mailers must certify this at the time of mailing.

d. Letter-size reply envelopes and cards enclosed in automation rate pieces must meet specific standards for automation-compatibility; mailers must certify this at the time of mailing.

2. Standards for documentation produced by Presort Accuracy Validation and Evaluation (PAVE) certified software and for standardized documentation produced otherwise. These standards are presented in P012, below; examples of documentation are also presented as part of this notice.

List of Subjects in 39 CFR Part 111

Postal Service.

PART 111—[AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 3001–3011, 3201–3219, 3403–3406, 3621, 3626, 5001.

2. Revise the following sections of the Domestic Mail Manual as noted below:

* * * * *

A Addressing

A000 Basic Addressing

A010 General Information

[In 1.2d, replace "second-class mail," and "bulk third-class mail; fourth-class mail" with "Periodicals," and "bulk rate Standard Mail (A); Standard Mail (B)," respectively; remove the last sentence in 1.3; in 1.6, replace "First-, third-, and fourth-class mail" with "First-Class and Standard Mail"; references "E300, E400" with "E600"; and "second-class mail" with "Periodicals"; in 4.3f, replace "Second-class mail" with "Periodicals"; in 4.3g, replace "Fourth-class mail" with "Standard Mail (B)"; in 7.0 (heading), replace "Second-Class Mail" with "Periodicals"; in 7.1, replace "First-, third-, and fourth-class" with "First-Class and Standard Mail"; in 7.2, replace "second-class mail" with "Periodicals" and "2C" with "PER."]

A040 Alternative Addressing Formats

[In 1.7, 2.2, 3.1, and 3.4, replace "second-class" with "Periodicals."]

A060 Detached Address Labels

[In 1.2 (heading and text), replace "[S]econd- or [T]hird-[C]lass" with "Periodicals or Standard Mail (A)"; in 1.3 (heading and text), replace "[T]hird-[C]lass" with "Standard Mail (A)"; in 1.4 (heading), remove "Fourth-Class"; in 5.2a, replace "Second-class" with "Periodicals"; in 3.8 (heading and text), replace "[M]ailing [S]tatement" with "[P]ostage [S]tatement"; in 5.2b, replace "[T]hird-class" with "Standard Mail (A)" and remove "fourth-class"; in 5.3, replace "third- or fourth-class" with "Standard Mail."]

* * * * *

A900 Customer Support Services

* * * * *

A930 Other Services

* * * * *

1.0 Delivery Statistics File

[Revise the fifth sentence as follows:]

* * * The information is updated monthly through transaction files and can be ordered either with a single base file in the initial shipment or with a

base file provided quarterly (bimonthly effective October 15, 1996). * * *

2.0 AIS Products

Customers may use USPS Address Information System (AIS) products to obtain correct 5-digit ZIP Codes for the addresses on their mailing lists. These products generally are more economical than mailing list services. Customers with computerized address lists may obtain the City/State file, Five-Digit ZIP Code file, Line-of-Travel (LOT) information, Z4CHANGE file, ZIP Move file, Carrier Route Information System (CRIS), and ZIP+4 tapes. Customers may also use USPS directories and microfiche products to find correct 5-digit ZIP Codes for single and multi-ZIP Coded offices. Information about ordering and using these products is available by calling 1-800-238-3150.

* * * * *

[In 3.1a, 4.2, 4.3, 4.4, and 4.6, replace "Quarterly" and "quarterly" with "Quarterly (Bimonthly effective October 15, 1996)" and "quarterly (bimonthly effective October 15, 1996)," respectively.]

* * * * *

[Revise 5.0 as follows:]

5.0 Delivery Statistics

In post offices with rural delivery, highway contract box delivery, and post office box delivery, postmasters must provide, at no charge, the following information for their respective offices:

- Number of post office boxes rented.
- Route numbers, number of boxes, and number of families on each rural and highway contract box delivery route (including seasonal data, if applicable).
- Number of families served or number of business places served by rural or highway contract box delivery routes within the total delivery area.

A950 Coding Accuracy Support System (CASS)

* * * * *

3.0 Date of Address Matching and Coding

3.1 Updating Standards

Unless Z4CHANGE is used, all automation and carrier route mailings bearing addresses coded by any AIS product must be coded with current CASS-certified software and the current USPS database. Coding must be performed within 90 days of the mailing date for all carrier route mailings; within 6 months for automation rate First-Class, Regular Periodicals, and Standard Mail; and within 1 year for ZIP+4 and Barcoded rate Preferred Periodicals and Nonprofit Standard

Mail. All AIS products may be used immediately upon release. New product releases must be included in address matching systems no later than 45 days after the release date. The overlap in dates for product use allows mailers adequate time to install the new data files and test their systems. Mailers are expected to update their systems with the latest data files as soon as practical and need not wait until the "last permissible use" date to include the new information in their address matching systems. Effective with the October 15, 1996, database product release, the "current USPS database" product cycle is defined by the following matrix.

File release	Required use	Last permissible use
Use of file released on . . .	Must begin no later than . . .	And must end no later than . . .
Feb. 15	Apr. 1	May 31.
Apr. 15	June 1	July 31.
June 15	Aug. 1	Sept. 30.
Aug. 15	Oct. 1	Nov. 30.
Oct. 15	Dec. 1	Jan. 31.
Dec. 15	Feb. 1	Mar. 31.

* * * * *

5.0 Documentation

5.1 Requirement

Unless excepted by standard, each mailing submitted at an automation rate, at a carrier route Periodicals rate, or at an Enhanced Carrier Route Standard Mail rate, must be accompanied by documentation as described below.

* * * * *

5.4 Providing Required Data

* * * * *

b. Name of the list processor using the CASS-certified software to match and code the address list, the date the address list was processed, the date of the USPS database used to code the address list, the address list name or identification number, the total number of address records on the list submitted for coding, the total number of address records successfully coded to the appropriate depth of code, and the percentage of total addresses submitted for coding that were successfully coded.

* * * * *

6.0 Obtaining CASS Certification

6.1 Testing Arrangements

[Replace "ZIP+4 or delivery point" with "carrier route, ZIP+4, or delivery point."]

* * * * *

C Characteristics and Content

C000 General Information

C010 General Mailability Standards

[In 1.1 and 3.8, replace "third-class" with "Standard Mail (A)"; in 1.7, replace "C300" and "third-class mail" with "C600" and "Standard Mail (A)," respectively; in 6.0, replace the reference "G010" with "G020"; in 7.8 (heading), replace "Scope" with "High-Density"; in 9.3, replace the reference "I042" with "G042"; no other change in text.]

* * * * *

C020 Restricted or Nonmailable Articles and Substances

[In 4.1, remove "Title."]

[Revise the heading of C021 as follows:]

C021 Articles and Substances Generally

* * * * *

C023 Hazardous Matter

[In 10.7, replace "40 CFR 172, Identification Number Cross Reference Index to Proper Shipping Names," with "40 CFR 172"; in 11.2, replace "Except under 10.10, parcels" with "Parcels"; in 11.6, replace "mailing statement" with "postage statement"; no other change in text.]

* * * * *

C024 Other Restricted or Nonmailable Matter

[In 12.1, replace "First-, third-, or fourth-class" with "First-Class or Standard Mail"; no other change in text.]

* * * * *

C050 Mail Processing Categories

1.0 Basic Information

[Remove current 1.1 and 1.2 and replace with new 1.0 as follows:]

All mail is assigned to one of the mail processing categories listed below, based on the physical dimensions of the mailpiece, regardless of the placement (orientation) of the delivery address on the mailpiece. Unless permitted by standard, any mailing at other than the single-piece First-Class or Standard Mail rates may not contain pieces from more than one processing category.

* * * * *

C100 First-Class Mail

1.0 Dimensions

[In 1.2, remove the reference "(see C400)."]

* * * * *

2.0 Cards Claimed at Card Rates

2.1 Postcard Dimensions

Each card (i.e., each postal card or postcard or each half of a double postal card or postcard) claimed at a card rate must be:

- Rectangular.
- Not less than 3½ inches high, 5 inches long, or 0.007 inch thick.
- Not larger than 4¼ inches high, 6 inches long, or 0.016 inch thick.

* * * * *

2.8 Special Rules for Cards

Cards not mailed as Presorted First-Class Mail but with the characteristics noted in 2.6 or 2.7 must:

- Be prepared in mailings of not less than 200 cards of identical size and weight.
- Have an address that includes the correct ZIP Code or ZIP+4 code.
- Have postage paid with permit imprints, meter stamps, or precanceled stamps.

- Be sorted to the finest extent possible and trayed as required for Regular Basic and 3/5 Standard Mail.

* * * * *

[Remove current 2.11 and renumber current 2.12 as 2.11; renumber current 3.0 as 4.0 and add new 3.0 as follows:]

3.0 Enclosures

Enclosures in double cards are prohibited. Envelopes and cards enclosed in automation rate First-Class Mail are subject to the corresponding standards in C810.

4.0 Nonstandard Mail

[Replace "A piece of First-Class Mail weighing 1 ounce or less" with "Single-piece rate and Presorted rate First-Class Mail weighing 1 ounce or less, and not claimed at a card rate,"; no other change.]

* * * * *

[Revise the heading of C200 as follows:]

C200 Periodicals

[In 1.1, 1.2, 1.3, 1.4, 1.4a, 1.4b, 1.4c, 1.5a, 1.6, 1.9, 1.10a, 1.10c, 2.1, 2.2, 2.3, 2.4, 2.5, 3.3, 3.7, 4.2, and 4.4, replace "[S]econd-[C]lass" with "Periodicals"; in 1.3, 1.3b, 1.3c, 1.3d, and 1.10c, replace "First- or [any] third-class" with "First-Class or [any] Standard Mail (A)"; in 1.3a, 1.3d, 1.8b, and 1.10c, replace "[T]hird-[C]lass [Mail]" with "Standard Mail (A)"; in 1.4d, replace "mailing statement" with "postage statement"; in 2.2c, replace "First-, third-, or fourth-class" with "First-Class or Standard Mail"; in 2.4, replace "Fourth-[C]lass [M]ail" with "Standard Mail (B)"; no other change in text.]

[Move current Exhibit [C300.]1.3 to new C600.1.1c and redesignate as Exhibit [600.]1.1c; retitle redesignated Exhibit 1.1c as "Dimensions for Enhanced Carrier Route Standard Mail"; remove text of C300.]

[Move current Exhibit [C400.]1.2 to new C600.1.2b and redesignate as Exhibit [C600.]1.2b; remove text of current C300 and C400.]

[No change to C500.]

[Insert new C600, based on text of current C300 and C400, as follows:]

C600 Standard Mail

1.0 Dimensions

1.1 Standard Mail (A)

These dimensional standards apply to Standard Mail (A):

a. Each piece must weigh less than 16 ounces. Lower limits apply to mail claimed at automation rates.

b. Within the standards for mailability in C010, there is no maximum size for nonautomation rate Regular and Nonprofit Standard Mail (A); all automation rate Standard Mail (A) is subject to the size and weight limits in C810 (letters) and C820 (flats), as applicable.

c. Except for automation Basic Carrier Route rate pieces and merchandise samples mailed with detached address labels (DALs), the maximum size for Enhanced Carrier Route Standard Mail is 11¾ inches high, 14 inches long, and ¾ inch thick (see Exhibit 1.1c). Merchandise samples whose dimensions exceed these maximums may be sent at the Enhanced Carrier Route rates if mailed using DALs, provided that the samples meet all other applicable standards and the DALs meet the standards in A060.

[Insert redesignated Exhibit [600.]1.1c.]

1.2 Standard Mail (B)

These dimensional standards apply to Standard Mail (B):

a. Each piece may not exceed 70 pounds, except matter at bound printed matter rates may not exceed 10 pounds.

b. The combined length and girth of a piece (i.e., the length of its longest side plus the distance around its thickest part) may not exceed 108 inches (see Exhibit 1.2b).

c. Two or more packages may be mailed as a single parcel, if they are about the same size or shape or if they are parts of one article, if they are securely wrapped or fastened together, and if they do not together exceed the weight or size limits.

d. Lower size or weight standards apply to mail claimed at certain rates, addressed to certain APOs and FPOs, or

sent by the Department of State to U.S. Government personnel abroad.

e. Pieces might be subject to minimum weight or dimensions based on the standards for specific rates.

[Insert redesignated Exhibit [600.]1.2b.]

2.0 Surcharges

2.1 Nonstandard Mail

Single-piece rate Standard Mail (A) (other than a key or identification device) weighing 1 ounce or less is nonstandard and subject to the applicable surcharge if its thickness exceeds ¼ inch or, if based on the placement (orientation) of the address, its length exceeds 11½ inches, its height exceeds 6⅞ inches, or its length divided by its height is less than 1.3 or more than 2.5.

2.2 Nonmachinable Mail

Specific items mailed at the inter-BMC/ASF parcel post rates might be subject to a nonmachinable surcharge (as described in E600) unless the mailer paid the special delivery or special handling fee.

3.0 Sealing

Standard Mail is not sealed against postal inspection. Standard Mail may be prepared for automated processing but must allow easy examination.

4.0 Enclosures

Envelopes and cards enclosed in automation Standard Mail are subject to the corresponding standards in C810.

C800 Automation-Compatible Mail

[Renumber current Exhibit [C800.]8.3 as Exhibit 7.2b; replace text of current C810 with new C810 as follows:]

C810 Letters and Cards

1.0 Basic Standards

Letters and cards claimed at automation-based rates must meet the standards in 2.0 through 7.0, and the general and specific standards for mailability and mail class. Pieces claimed at a card rate must also meet the standards in C100.

2.0 Dimensions

2.1 Shape and Size

Each mailpiece must be rectangular and:

a. Not more than 6⅞ or less than 3½ inches high.

b. Not more than 11½ or less than 5 inches long.

c. Not more than 0.25 or less than (1) 0.007 inch thick if not more than 4¼ inches high and 6 inches long; or

(2) 0.009 inch thick if more than 4–1¼ inches high or 6 inches long, or both.

2.2 Aspect Ratio

The length of a mailpiece divided by its height (aspect ratio) must be neither less than 1.3 nor more than 2.5.

2.3 Weight

Maximum weight limits are:

a. 2.5 ounces: upgradable Presorted First-Class, ZIP+4 Preferred Periodicals, upgradable nonautomation Regular Standard Mail, and ZIP+4 Nonprofit Standard Mail.

b. 3 ounces: automation First-Class Mail, automation Regular Periodicals, automation Standard Mail, and Barcoded Nonprofit Standard Mail.

c. 3.3062 ounces: automation Enhanced Carrier Route heavy letters (subject to 7.5).

d. 3.3087 ounces: automation Standard Mail heavy letters (subject to 7.5).

e. 3.4383 ounces: automation First-Class Mail, automation Regular Periodicals, and Barcoded Nonprofit Standard Mail heavy letters (subject to 7.5).

3.0 General Prohibitions and Restrictions

3.1 Wraps and Closures

An automation-compatible mailpiece may not be polywrapped, polybagged, or shrinkwrapped; have clasps, string, buttons, or similar closure devices; or have protrusions that might impede or damage the mail or mail processing equipment.

3.2 Staples and Saddle Stitching

Staples or saddle stitching may be used only on booklet-type mailpieces to join the bound edge (spine). Inserted staples or stitching must parallel the bound edge, seat tightly and securely, and have no protrusions that might impede or damage the mail or mail processing equipment.

3.3 Rigid and Odd-Shaped Items

Rigid items (e.g., pens, pencils, keys, bottle caps) are prohibited within mailpieces. Reasonably flexible items (e.g., credit cards) are permitted. Subject to 5.0, odd-shaped items (e.g., coins and tokens) are permitted if firmly affixed to and wrapped within the contents of the mailpiece and envelope to streamline the shape of the mailpiece for automated processing.

4.0 Tabs, Wafer Seals, Tape, and Glue

Tabs, wafer seals, cellophane tape, or permanent glue (continuous or spot) may be used as applicable to the

particular type of mailpiece under 7.0 if the sealing devices do not interfere with the recognition of the barcode, rate marking, postage information, or delivery or return addresses. In all cases, additional tabs or seals may be used. Cellophane tape is not acceptable within the barcode clear zone. Tabs or wafer seals placed in the barcode clear zone must contain a paper face meeting the standards for background reflectance and, if the barcode is not preprinted by the mailer, the standards for acceptance of water-based ink. Tabs, wafer seals, and tape must have a peel adhesion (shear strength) value of at least 15 ounces/inch at a speed of 12 inches/minute after application to a stainless steel plate; the test is to be conducted 10 minutes after the material is applied to the plate.

5.0 Flexibility

5.1 Ability to Bend

To ensure transport through automated equipment, a mailpiece and its contents must bend easily when subjected to a transport belt tension of 40 pounds around an 11-inch diameter drum.

5.2 Testing Flexibility

A mailer wanting to have mailpieces tested for flexibility must submit at least 50 sample pieces and a written request to USPS Engineering at least 6 weeks before the mailing date. The request must describe mailpiece contents and construction, number of pieces being produced, and level of preparation (e.g., presort). Engineering advises the mailer by letter of its findings. If the mailpiece is approved, the letter includes a unique number identifying the piece tested and serves as evidence that the piece meets the relevant standards. A copy of the letter must be attached to each postage statement submitted for mailings of the approved piece. If requested by the USPS, the mailer must show that pieces presented for mailing are the same as those tested and approved.

6.0 Outside Labels and Stickers

6.1 Use

Permanent labels and stickers (i.e., those designed not to be removed or relocated) must be affixed directly to the outside of the mailpiece with permanent adhesive. A mailer may provide recipients with relocatable labels to place on the outside of response pieces sent back to the mailer. On pieces mailed at First-Class card rates or at Periodicals rates, labels and stickers may be used only if permitted by the applicable standards.

6.2 Pressure-Sensitive Labels

Pressure-sensitive labels and stickers affixed directly to mailpieces before mailing must have a minimum peel adhesion to stainless steel of 8 ounces/inch. This standard does not apply to pressure-sensitive labels provided by the USPS to label packages to sortation levels.

6.3 "Sandwich" Labels

A face stock/liner label ("sandwich" label) is a two-part unit with a face stock (top label) attached to a liner (bottom label) affixed to the mailpiece. The face stock must have a peel adhesion value of at least 2 ounces/inch with respect to the liner label and at least 8 ounces/inch when reapplied to stainless steel.

7.0 Additional Standards for Specific Types of Pieces

7.1 Envelopes and Pieces Sealed on All Sides

An envelope or any mailpiece formed by an outer sheet or sheets sealed on all four edges must be prepared from paper with a minimum basis weight of 16 pounds (measured weight for 500 17- by 22-inch sheets).

7.2 Folded Self-Mailers

A folded self-mailer must be prepared with the folded edge parallel to the longest dimension and the address of the mailpiece. These additional standards apply, based on the number of tabs used:

a. With one tab or wafer seal, the folded edge must be at the bottom of the self-mailer. The tab or wafer seal must be placed in the middle of the top edge of the piece. If formed of a single folded sheet, the self-mailer must be prepared from paper with a minimum basis weight of 28 pounds (measured weight for 500 17- by 22-inch sheets) or 70 pounds (measured weight for 500 25- by 38-inch sheets). If formed of multiple folded sheets, the self-mailer must be prepared from paper with a minimum basis weight of 24 pounds (measured weight for 500 17- by 22-inch sheets) or 60 pounds (measured weight for 500 25- by 38-inch sheets).

b. With two tabs or wafer seals, the folded edge may be at the top or bottom of the self-mailer. The two tabs or wafer seals must be placed on the open edge, opposite the folded edge. One tab or wafer seal must be placed within 1 inch of the left edge of the piece; the other, within 1 inch of the right edge of the piece (see Exhibit 7.2b). The whole tab need not be placed within 1 inch of the edge. The tabs must not obscure the FIM, postage, or required address information. The folded self-mailer

must be prepared from paper with a minimum basis weight of 20 pounds (measured weight for 500 17- by 22-inch sheets).

[Insert renumbered Exhibit 7.2b.]

7.3 Booklet-Type Pieces

The front and back covers of a booklet-type piece must be prepared from paper with a minimum basis weight of 20 pounds (measured weight for 500 17- by 22-inch sheets). The bound edge (spine) must be the longest edge of the piece and at the bottom, parallel to the address. The top (unbound) edge must be secured with at least two tabs or wafer seals. One tab or wafer seal must be placed within 1 inch of the left edge of the piece; the other, within 1 inch of the right edge of the piece.

7.4 Cards

Cards must be prepared from paper stock meeting the industry standard for a basis weight of 75 pounds or greater, with none less than 71.25 pounds (measured weight for 500 25- by 38-inch sheets). The stock must be free from groundwood unless coated with a substance adding to the stock's ability to resist an applied bending force. A double postcard not prepared with all edges sealed must have the folded edge at the top or bottom, and the open edge parallel to the address must be secured with one tab (or other permitted closure) in the middle of the length.

7.5 Heavy Letter Mail

Heavy letter mail (i.e., barcoded letter-size mail weighing more than 3 ounces up to the maximum in 2.3) must meet the additional barcoding standards in C840, must be prepared in an envelope, and must be part of a 100% delivery point barcoded mailing. Heavy letter mail may neither contain stiff enclosures nor be prepared as a self-mailer or booklet-type mailpiece.

8.0 Enclosed Reply Cards and Envelopes

8.1 Basic Standard

Effective January 1, 1997, all courtesy reply and business reply mail (BRM) letter-size cards and envelopes provided as enclosures in automation First-Class, automation Regular Periodicals, and automation Regular Standard Mail must meet the applicable standards in 1.0 through 7.0, bear a facing identification mark meeting the standards in 8.2, and bear the correct delivery point barcode (or, for BRM, the correct ZIP+4 barcode) for the delivery address of the reply piece as defined by the USPS, subject to the barcode standards in C840. Mailers

must certify that these standards have been met when the corresponding mail is presented to the USPS. BRM pieces must also meet the applicable standards in S922.

8.2 FIM

Each enclosed reply piece described in 8.1 must bear the correct facing identification mark (FIM), either FIM A for courtesy reply or FIM C for BRM, prepared under the standards in S922.

C820 Flats

[Add new 1.0; renumber current 1.0 through 6.0 as 2.0 through 7.0, respectively; renumber Exhibit 4.1a, Exhibit 4.1b, and Exhibit 4.2 as Exhibit 5.1a, Exhibit 5.1b, and Exhibit 5.2, respectively; remove renumbered 2.1 and redesignate renumbered 2.2 through 2.5 as 2.1 through 2.4, respectively; in renumbered 2.4b and 6.2, replace "second-class" with "Periodicals"; in renumbered 2.4c, replace "third-class" with "Standard Mail (A)"; revise other text as follows:]

1.0 Basic Standards

All pieces must meet the general and specific standards for mailability and the class of mail and rate claimed.

2.0 General Dimensions

* * * * *

[Revise the heading and text of renumbered 2.3 as follows:]

2.3 Shape and Size

Each mailpiece must be rectangular and:

- a. Not more than 12 or less than 6 inches high.
- b. Not more than 15 or less than (1) 5 inches long if from 6 to 7½ inches high; or (2) 6 inches long if more than 7½ inches high.
- c. Not more than 0.75 or less than 0.009 inch thick.

* * * * *

[Revise renumbered 4.0 as follows:]

4.0 Tabs, Wafer Seals, Tape, and Glue

Tabs, wafer seals, cellophane tape, or permanent glue (continuous or spot) may be used if these sealing devices do not interfere with the recognition of the barcode, rate marking, postage information, and delivery and return addresses. Cellophane tape may not be placed over the barcode or where any part of the barcode will be printed. Tabs or seals placed in the area on which any part of the barcode is printed must contain a paper face meeting the standards for background reflectance. Tabs, wafer seals, and tape must have a peel adhesion (shear strength) value of

at least 15 ounces/inch at a speed of 12 inches/minute after application to a stainless steel plate; the test is to be conducted 10 minutes after the material is applied to the plate.

5.0 Turning Ability and Deflection

[In renumbered 5.1a, replace "(see Exhibit 4.1a)" with "(see Exhibit 5.1a)"; in renumbered 5.1b, replace "(see Exhibit 4.1b)" with "(see Exhibit 5.1b)"; in renumbered 5.2 (heading), replace "Rigidity" with "Deflection"; in renumbered 5.2, replace reference "Exhibit 4.2" with "Exhibit 5.2"; no other change.]

* * * * *

[Revise renumbered 7.0 as follows:]

7.0 Outside Labels and Stickers

7.1 Use

Permanent labels and stickers (i.e., those designed not to be removed or relocated) must be affixed directly to the outside of the mailpiece with permanent adhesive. A mailer may provide recipients with relocatable labels to place on the outside of response pieces sent back to the mailer. On pieces mailed at Periodicals rates, labels and stickers may be used only if permitted by the applicable standards.

7.2 Pressure-Sensitive Labels

Pressure-sensitive labels and stickers affixed directly to mailpieces before mailing must have a minimum peel adhesion to stainless steel of 8 ounces/inch. This standard does not apply to pressure-sensitive labels provided by the USPS to label packages to sortation levels.

7.3 "Sandwich" Labels

A face stock/liner label ("sandwich" label) is a two-part unit with a face stock (top label) attached to a liner (bottom label) affixed to the mailpiece. The face stock must have a peel adhesion value of at least 2 ounces/inch with respect to the liner label and at least 8 ounces/inch when reapplied to stainless steel.

* * * * *

[Revise the heading of C830 as follows:]

C830 OCR Standards

* * * * *

C840 Barcoded Mailpieces

* * * * *

[Revise 2.0 as follows:]

2.0 Barcode Location—Letter-Size Pieces

2.1 Barcode Clear Zone

Each piece in an automation rate mailing and each piece of upgradable Presorted First-Class or upgradable

Regular Standard Mail must have a barcode clear zone unless the piece bears a DPBC in the address block. The barcode clear zone and all printing and material in the clear zone must meet the reflectance standards in 5.0. The barcode clear zone is a rectangular area in the lower right corner of the address side of cards and letter-size pieces defined by these boundaries:

- a. Right: right edge of the piece.
- b. Left: 4-3/4 inches from the right edge of the piece.
- c. Bottom: bottom edge of the piece.
- d. Top: 5/8 inch from the bottom edge of the piece.

2.2 General Standards

Barcode location is subject to these general standards:

- a. Pieces in automation rate mailings, except those subject to 2.2b or 2.2c, may bear a DPBC (or, when permitted by standard, a 5-digit barcode) in either the address block or the barcode clear zone. Pieces may bear a ZIP+4 barcode (subject to rate eligibility standards) only when the ZIP+4 barcode is in the address block and the DPBC is correctly positioned within the barcode clear zone.

- b. ZIP+4 rate pieces may bear a DPBC within either the address block or the barcode clear zone. Pieces may not bear a ZIP+4 barcode in the lower right corner. Subject to rate eligibility standards, pieces may bear a ZIP+4 barcode in the address block or a 5-digit barcode within either the address block or the barcode clear zone in the lower right corner of the address side.

- c. Automation rate pieces weighing more than 3 ounces, up to the maximum weight for barcoded pieces permitted by C810, must bear a DPBC in the address block.

2.3 Printed on Mailpiece

Except as noted in 8.2 for 5-digit barcodes, if the barcode is printed directly on the lower right corner of the piece, the entire barcode must be within the barcode read area defined by these limits:

- a. Horizontally, the leftmost bar must be between 3-1/2 inches and 4-1/4 inches from the right edge of the mailpiece.

- b. Vertically, the barcode must be positioned within the area between 3/16 inch and 7/16 inch from the bottom edge of the mailpiece; the bottom of the bars must be 1/4 inch ±1/16 inch from the bottom edge of the mailpiece.

2.4 Printed on Inserts

If the barcode is printed on an insert to appear through a window in the lower right corner of an envelope:

a. The envelope and window must meet the physical standards in 7.0.

b. The entire barcode must be within the barcode clear zone (but need not be completely within the barcode read area).

c. When the insert showing through the window is moved to any of its limits inside the envelope, the entire barcode must remain within the barcode clear zone, and a clear space must be maintained that is at least 1/8 inch between the barcode and the left and right edges of the window, at least 1/25 inch between the barcode and the top edge of the window, and at least 3/16 inch between the barcode and the bottom edge of the mailpiece.

2.5 Printed in Address Block

When the barcode is included as part of the address block:

a. The barcode must be placed above the address line containing the recipient's name; below the city, state, and ZIP Code line; above or below the keyline information; or above or below the optional endorsement line.

b. The printing of the barcode anywhere between the address line containing the recipient's name and the city, state, and ZIP Code line is prohibited.

c. The minimum clearance between the barcode and any information line above or below it within the address block must be at least 1/25 inch, and the separation between the barcode and top line or bottom line of the address block must not exceed 5/8 inch.

d. If a window envelope is used, the clearance between the leftmost and rightmost bars and any printing or window edge must be at least 1/8 inch, and the clearance between the barcode and the top and bottom window edges must be at least 1/25 inch. These clearances must be maintained during the insert's range of movement in the envelope. Address block windows on heavy letter mail (as defined in 2.2c) must be covered; such windows may be covered on other mail. Covers for address block windows are subject to 7.3.

e. If an address label is used, a clear space of at least 1/8 inch must be left between the barcode and the left and right edges of the address label, and the clearance between the barcode and the top and bottom edges of the address label must be at least 1/25 inch.

f. The rightmost bar must be at least 1/2 inch from the right edge of the mailpiece, and the leftmost bar must be less than 10-1/2 inches from the right edge of the mailpiece and at least 1/2 inch from the left edge of the mailpiece; the top of each bar must be less than 4

inches from the bottom edge of the mailpiece; and the bottom line of the address block, including the barcode, must be at least 5/8 inch from the bottom of the mailpiece.

[Renumber current 3.0 through 9.0 as 4.0 through 10.0, respectively; in renumbered 7.2, replace the reference "6.3" with "7.3"; in renumbered 7.3, replace the reference "4.0" with "5.0"; add new 3.0 as follows:]

3.0 Barcode Location—Flat-Size Mail

The barcode may be anywhere on the address side that is at least 1/8 inch from any edge of the mailpiece. That portion of the surface of the piece on which the barcode is printed must meet the reflectance standards in 5.0. The address side may bear only one POSTNET-format barcode (i.e., the correct barcode for the delivery address on the mailpiece). Other mailer-applied non-POSTNET barcodes may appear on the address side if their format is not intelligible or not confusing to automated postal equipment. Address block barcodes are subject to the standards in 2.5a through 2.5f.

[Revise renumbered 4.0 as follows:]

4.0 Barcode Dimensions and Spacing

Barcodes are subject to these standards for dimensions and spacing. Extraneous ink or ink voids must not cause any bar to fail to meet these standards:

a. A full bar must be 0.125 ± 0.010 inch high.

b. A half bar must be 0.050 ± 0.010 inch high.

c. All bars must be 0.020 ± 0.005 inch wide.

d. Measured over any 1/2 inch, horizontal spacing of the bars must be 22 ± 2 bars per inch, and pitch (a bar and a space) must average at least 0.0416 inch but no more than 0.05 inch. The clear vertical space between bars must not be less than 0.012 inch nor more than 0.04 inch.

5.0 Reflectance

* * * * *

5.4 Dark Fibers and Background Patterns

* * * * *

c. The barcode clear zone on all nonbarcoded pieces in a letter-size barcoded mailing.

* * * * *

8.0 Use of ZIP+4 or 5-Digit Barcodes

8.1 Automation Pieces

Pieces in automation rate mailings are subject to these standards:

a. Subject to the eligibility standards for the rate claimed, pieces in

automation rate mailings of Preferred Periodicals and Nonprofit Standard Mail may bear a ZIP+4 or 5-digit barcode if the barcode meets the standards in 3.0 through 6.0 except that a ZIP+4 barcode may not appear in the lower right corner on pieces in ZIP+4 rate mailings or in Barcoded rate mailings of pieces with address block barcodes.

b. Letter-size pieces in automation rate mailings of First-Class Mail, Regular Periodicals, and Standard Mail may not bear a 5-digit or ZIP+4 barcode in the lower right corner. Pieces may bear a 5-digit or ZIP+4 barcode in the address block if a DPBC appears in the lower right corner.

c. Flat-size pieces in automation rate mailings of First-Class Mail, Regular Periodicals, and Standard Mail may not bear a 5-digit barcode.

8.2 Leftmost Bar

Any 5-digit barcode must be located as specified in 2.0, except that, if placed in the barcode clear zone, the leftmost bar of the barcode must be between 4-1/8 and 4-1/4 inches from the right edge of the mailpiece.

* * * * *

D Deposit, Collection, and Delivery

D000 Basic Information

* * * * *

D020 Plant Loads

[In 3.1, replace "second-, third-, and fourth-class mail" with "Periodicals and Standard Mail" and "mailing statement" with "postage statement"; in the table in 5.0 in the first column, replace "Second-Class" with "Periodicals" and "Bulk Mail Acceptance Unit" with "Business Mail Entry Unit (BMEU)"; in the table in 5.0 in the fourth column, replace "Post Office of Acceptance Unit" with "BMEU Post Office" and both "Eligible SCF" and "Delivery/SCF Office" with "Entry Office"; in the table in 5.0, in footnote 1, replace "Mailing statements" with "Postage statements"; in the table in 5.0, in footnote 2, replace "carrier route First-Class, Presorted First-Class, ZIP+4, and Barcoded rate mail" with "Presorted First-Class and all automation rate mail."]

* * * * *

D041 Customer Mail Receptacles

[In 2.10, replace "second-class mail" with "Periodicals."] D042 Conditions of Delivery

[In 7.0, replace the reference "M011" with "M012."]

D071 Express Mail and Priority Mail Drop Shipment

[In 1.2, 1.3, 2.2, and 2.3, replace "bulk mail acceptance unit" with "business mail entry unit."]

D072 Drop Shipment of Metered Mail

[In 5.2, 5.3, 6.2, and 6.3, replace "mailing statement" with "postage statement."]

4.0 Option 2: Deposit at Another Post Office

* * * * *

[Revise 4.4 as follows:]

4.4 Markings

The drop shipment endorsement placed in the ad plate area may include the marking required by the standards for the rate claimed if that marking is placed directly below the drop ship endorsement and meets the standards in M012. The marking may also be provided separately, not necessarily by meter ad plate, directly below the meter stamp or imprint, if it meets the relevant size and legibility standards.

* * * * *

5.0 Option 3: Consolidated Drop Shipment With Endorsement

* * * * *

[Combine 5.2 and 5.3 as 5.2 and revise the heading as follows:]

5.2 Barcoded and Nonbarcoded Portion

[In new 5.2, replace "mailing statement" with "postage statement."]

[Renumber current 5.4 through 5.11 as 5.3 through 5.10, respectively.]

* * * * *

6.0 Option 4: Consolidated Drop Shipment Without Endorsement

* * * * *

[Combine 6.2 and 6.3 as 6.2 and revise the heading as follows:]

6.2 Barcoded and Nonbarcoded Portion

[In new 6.2, replace "mailing statement" with "postage statement."] *[Renumber current 6.4 through 5.12 as 6.3 through 6.11, respectively.]*

* * * * *

D100 First-Class Mail

[In 2.5, replace "carrier route First-Class, Presorted First-Class, ZIP+4, and Barcoded rate" with "Presorted First-Class or automation rate"; remove 2.6; in 3.3, replace "a presorted or automation First-Class rate" with "a Presorted First-Class rate or an automation First-Class rate"; remove 3.4 and renumber current 3.5 and 3.6 as 3.4

and 3.5, respectively; in renumbered 3.5, replace "mailing statement" with "postage statement."] *[Revise the heading of D200 as follows:]*

D200 Periodicals**D210 Basic Information**

[In 1.0, 2.1, 2.2, 3.1, 3.4, 4.0 (heading), 4.1, and 4.2, replace "[S]econd-[C]lass [[M]ail]" with "Periodicals"; in 2.1, replace "First-, third- or fourth-class" with "First-Class or Standard Mail"; in 4.4a, replace "second-class mail privileges" with "Periodicals mailing privileges"; in 4.5d, replace "mailing statements" with "postage statements."]

D230 Additional Entry

[In 1.1, replace "second-class" with "Periodicals"; in 1.1 and 1.5, replace "mailing statements" with "postage statements"; in 4.5, replace "second- and third-class mail" and "third-class mail" with "Periodicals and Standard Mail (A)" and "Standard Mail (A)," respectively.]

[Remove D300.]

[Remove D400.]

[No change to D500.]

[Insert new D600, based on current D300 and D400, and revise as follows:]

D600 Standard Mail**1.0 Service Objectives**

The USPS does not guarantee the delivery of Standard Mail within a specified time. Standard Mail might receive deferred service. Local postmasters can provide more information.

2.0 Mail Deposit**2.1 Single-Piece Rates**

Single-piece rate parcel post, bound printed matter, Special Standard Mail, or Library Mail must be deposited at a time and place specified by the mailing post office postmaster. Single-piece rate Standard Mail (A) bearing regular adhesive stamps may be placed into collection boxes, mailchutes, receiving boxes, or other places where mail is accepted. Mail with meter postage must be deposited in a location under the jurisdiction of the licensing post office, except as permitted in D072. Mail with permit imprints must be presented at the post office as specified in P040 or P700. Mail with precanceled stamps must be presented at the post office as specified in P023.

2.2 Bulk Rates

Bulk rate Standard Mail must be presented at a business mail entry unit of the post office where the postage permit or license is held and the annual

bulk mailing fee is paid. Mailings must be deposited at the locations and times specified by the postmaster. Plant-loaded mailings must be presented as specified by the applicable standards and the plant load agreement. Metered bulk Standard Mail may be deposited at other than the licensing post office only as permitted under D072. Nonprofit Standard Mail must be deposited only at post offices where the USPS has approved a nonprofit authorization under the relevant standards.

2.3 Zoned Rates

Unless excepted by other standards, pieces paid at zoned rates must be presented for acceptance at the post office from which the applicable zoned rate postage is computed.

2.4 Separation of Mailings

Unless permitted by standard, the same mailing (as defined in M011) may not include pieces claimed at Regular rates, Nonprofit rates, or Enhanced Carrier Route rates; or at both automation and nonautomation rates; or at both Nonprofit 3/5 and Nonprofit carrier route rates. Mailings that separately qualify at Enhanced Carrier Route and Regular rates, or mailings that separately qualify at Nonprofit rates may be reported on the same postage statement, if all pieces from each mailing are presented at the same time and are correctly marked and prepared under the respective standards.

* * * * *

[No change to D900.]

E Eligibility**E000 Special Eligibility Standards****E010 Overseas Military Mail**

[In 1.3, replace "Third- or fourth-class" with "Standard Mail"; in 1.4, replace "Second-[C]lass" with "Periodicals"; in 1.5, replace the reference "C400" and "fourth-class" with "C600" and "Standard Mail (B)," respectively; in 3.1, replace "second-, third-, or fourth-class" with "Periodicals or Standard Mail"; in 3.3, replace "second-, third-, or fourth-class mail" with "Periodicals or Standard Mail"; no other change in text.]

* * * * *

E040 Free Matter for the Blind and Other Handicapped Persons

[In 4.1b, replace the reference "C400" with "C600."]

* * * * *

E060 Official Mail (Penalty)

[Renumber Exhibit 13.4 as Exhibit 13.3; in 13.3, add to end of section "See Exhibit 13.3 for format." In 4.3, 5.4a,

6.1, 13.0 (heading), 13.1, 13.2, 13.3, renumbered Exhibit 13.3, 13.5, and 15.2b, replace “[S]econd-[C]lass [[M]ail]” with “Periodicals”; in 13.4, replace “Exhibit 13.4” with “Exhibit 13.3”; remove the last sentence in 7.3; remove 9.6 and renumber 9.7 through 9.9 as 9.6 through 9.8, respectively; in 12.1, replace “(including Priority Mail), single-piece third-class, and single-piece fourth-class (parcel post, special-fourth-class, and bound printed matter)” with “(including Priority Mail) and single-piece rate Standard Mail (single-piece rate Standard Mail (A), parcel post, Special Standard Mail, and bound printed matter)”; in 12.8, replace “Third- or fourth-class” with “Standard Mail”; in 12.9, replace “Third- and fourth-class” with “Standard Mail”; in 15.2a, replace “First-, third-, and fourth-class” with “First-Class and Standard Mail”; no other change in text.]

E070 Mixed Classes

[In 2.1, 2.2, 2.3, 3.3, and 3.4, replace “First- or [T]hird-[C]lass [[M]ail]” with “First-Class Mail or Standard Mail (A)”; in 2.1, replace “second-, third-, or fourth-class” with “Periodicals or Standard Mail (A) or (B)”; in 2.4, 2.5, 3.1, 3.2b, 3.5, 3.6, 4.2, and 5.0, replace “[T]hird-[C]lass [Mail]” with “Standard Mail (A)”; in 3.0 (heading), 3.1, 3.2, 3.2a, 3.2c, 3.2e, and 5.0 (heading), replace “[S]econd-[C]lass” with “Periodicals”; in 3.3, replace “comparable First- or third-class presort rate” with “comparable First-Class Mail or Standard Mail (A) rate”; in 4.0 (heading), replace “Third- or Fourth-Class Parcels” with “Standard Mail Parcels”; in 4.1, replace “with third- or fourth-class mail” with “in pieces of Standard Mail”; in 4.2, 5.0, and 6.0 (heading), replace “[F]ourth-[C]lass” with “Standard Mail (B)”; in 4.2, replace the reference “E400” with “E600”; in 6.1, replace “special fourth-class” with “Special Standard Mail”; no other change in text.]

* * * * *

E100 First-Class Mail

[Insert text of current E110; revise as follows:]

E110 Basic Standards

1.0 Classification and Description

* * * * *

1.2 Written or Typewritten Matter

Matter wholly or partially in writing or typewriting must be mailed as First-Class Mail or Express Mail, except authorized additions to Periodicals or Standard Mail and written or typewritten matter in Library Mail and

Special Standard Mail, as permitted by the corresponding standards.

* * * * *

3.0 Rates for Postal Cards and Postcards

* * * * *

3.3 Card Rates

To be eligible for the card rates, a postcard or postal card (and each part of a double postcard or double postal card) must meet the physical standards in C100. The reply part of a double postcard does not have to bear postage when originally mailed, but it must bear postage at the applicable rate when returned. Cards not meeting the standards for card rates must be paid at the rates for matter other than cards.

* * * * *

[Remove text of current 4.0 and 5.0; renumber 6.0 and 7.0 as 4.0 and 5.0, respectively.]

4.0 Fees

[Revise the heading and text of renumbered 4.1 as follows:]

4.1 Presort Mailing

A First-Class presort mailing fee must be paid once each 12-month period at each office of mailing by any person or organization entering mailings at automation or Presorted First-Class rates and/or Presorted Priority Mail rates. Payment of one fee allows a mailer to enter mail at all those rates. Persons or organizations paying this fee may enter mail of their clients as well as their own mail.

* * * * *

[Revise renumbered 5.0 as follows:]

5.0 Documentation

A postage statement, completed and signed by the mailer, using the correct USPS form or an approved facsimile, must be submitted with each mailing except for single-piece First-Class or single-piece Priority Mail mailings in which the correct postage is affixed to each piece. Supporting documentation might be required by the standards for the rate claimed or the postage payment method used.

* * * * *

[Replace text of current E131 with new E130 as follows:]

E130 Nonautomation First-Class Mail Rates

1.0 Basic Standards

1.1 All Pieces

All pieces of nonautomation First-Class Mail must:

a. Meet the basic standards for First-Class Mail in E110.

b. Weigh 11 ounces or less.

c. Bear a delivery address.

d. Meet the applicable documentation and postage payment standards in P012, P013, and P100.

1.2 Barcodes

Any POSTNET barcode on a mailpiece in a nonautomation First-Class mailing must be the correct barcode for the delivery address and meet the standards in C840 and A950.

1.3 Nonstandard Surcharge

Single-piece or Presorted First-Class Mail is subject to a nonstandard surcharge if it is not mailed at the card rate, weighs 1 ounce or less, and meets the definition of nonstandard mail in C100.

2.0 Single-Piece Rate

The single-piece card rate applies to any card meeting the applicable standards in C100 that is not eligible for or claimed at Presorted or automation First-Class rates. The single-piece rate applies to any other First-Class Mail weighing 11 ounces or less that is not eligible for or claimed at the single-piece card rate, the Presorted First-Class rate, or an automation First-Class rate.

3.0 Presorted Rate

3.1 Letters

In addition to the standards in 1.0, all pieces in a Presorted First-Class rate mailing must:

a. Be part of a single mailing of at least 500 pieces of Presorted First-Class Mail, subject to 3.2.

b. Be in the same processing category and meet the applicable physical standards in C100.

c. Bear a delivery address that includes the correct ZIP Code or ZIP+4 code and that meets the corresponding standards for accuracy and maintenance in 3.3 and 3.4.

d. Be marked, sorted, and documented as specified in M130.

3.2 Cards and Letters

Cards claimed at card rates must meet the physical standards for card rates in C100. Pieces claimed at card rates and pieces claimed at letter rates are subject to separate minimum volume criteria, but may be combined in the same mailing and reported on the same postage statement.

3.3 Address Quality

Effective January 1, 1997, addresses appearing on all pieces claimed at the Presorted rate must be updated within 6 months before the mailing date by a USPS-approved address update tool (e.g., the “Address Correction

Endorsement," ACS, or NCOA). Additional alternatives currently under development (such as FASTFORWARDSM) may be used to meet this requirement when they have received final approval. Mailers must certify that this standard has been met when the corresponding mail is presented to the USPS. This standard applies to each address individually, not to a specific list or mailing. An address meeting this standard may be used in mailings at any other rate to which the standard applies throughout the 6-month period following its most recent update.

3.4 ZIP Code Accuracy

Effective October 1, 1996, 5-digit ZIP Codes included in addresses appearing on pieces claimed at the Presorted rate must be verified and corrected within 12 months before the mailing date by a USPS-approved method. Mailers must certify that this standard has been met when the corresponding mail is presented to the USPS. This standard applies to each address individually, not to a specific list or mailing. An address meeting this standard may be used in mailings at any other rate to which the standard applies throughout the 12-month period following its most recent update.

[Remove E132.]

[Replace text of current E142, E144, E145, E147, E148, and E149 with new E140 as follows:]

E140 Automation First-Class Mail Rates

1.0 Basic Standards

1.1 All Pieces

All pieces in a First-Class automation rate mailing must:

- a. Meet the basic standards for First-Class Mail in E110.
- b. Be part of a single mailing of at least 500 pieces of automation rate First-Class Mail, subject to 1.2.
- c. Be in the same processing category and meet the applicable physical standards in C810 or C820.
- d. Bear a delivery address that includes the correct ZIP Code, ZIP+4 code, or numeric equivalent to the delivery point barcode (DPBC).
- e. Meet the address quality and coding standards in 1.3, 1.4 (if applicable), A800, and A950.
- f. Bear an accurate barcode meeting the standards in C840, either a DPBC (if a card or letter) or a ZIP+4 barcode or DPBC (if a flat), either on the piece or on an insert showing through a barcode window.

g. Be marked, sorted, and documented as specified in M810 or M820, as applicable.

h. Meet the applicable documentation and postage payment standards in P012, P013, and P100.

1.2 Cards and Letters

Cards claimed at card rates must meet the physical standards for card rates in C100. Pieces claimed at card rates and pieces claimed at letter rates are subject to separate minimum volume criteria, but may be combined in the same mailing and reported on the same postage statement.

1.3 Address Quality

Effective January 1, 1997, addresses appearing on all pieces claimed at automation rates must be updated within 6 months before the mailing date by a USPS-approved address update tool (e.g., the "Address Correction Endorsement," ACS, or NCOA). Additional alternatives currently under development (such as FASTFORWARDSM) may be used to meet this requirement when they have received final approval. Mailers must certify that this standard has been met when the corresponding mail is presented to the USPS. This standard applies to each address individually, not to a specific list or mailing. An address meeting this standard may be used in mailings at any other rate to which the standard applies throughout the 6-month period following its most recent update.

1.4 Carrier Route Presort

Carrier route rates are available only for letter-size mail and only for those 5-digit ZIP Code areas identified in the USPS City/State File used for address coding. Subject to A930 and A950, mailers must apply carrier route codes to mailings using CASS-certified software and the current USPS Carrier Route Information System (CRIS) scheme or another AIS product containing carrier route information. Carrier route and City/State File information must be updated within 90 days before the mailing date.

1.5 Enclosed Reply Cards and Envelopes

Effective January 1, 1997, all courtesy reply and business reply mail (BRM) cards and letter-size envelopes provided as enclosures in First-Class automation mail must meet the standards in C810 for enclosed reply cards and envelopes. Mailers must certify that this standard has been met when the corresponding mail is presented to the USPS.

2.0 Rate Application

2.1 Letters or Cards

First-Class automation rates apply to each piece that is sorted under M810 into the corresponding qualifying groups:

a. Subject to 1.4, pieces in full carrier route trays, or in carrier route groups of 10 or more pieces each placed in 5-digit carrier routes trays, qualify for the Carrier Route automation rate. (Preparation to qualify for that rate is optional and need not be performed for all carrier routes in a 5-digit area.)

b. Groups of 150 or more pieces in 5-digit trays qualify for the 5-Digit automation rate. (Preparation to qualify for that rate is optional and need not be performed for all 5-digit destinations.)

c. Groups of 150 or more pieces in 3-digit or 3-digit scheme trays qualify for the 3-Digit automation rate.

d. Pieces in AADC and mixed AADC trays qualify for the Basic automation rate.

2.2 Flats

First-Class automation rates apply to each piece that is sorted under M820 into the corresponding qualifying groups:

a. Pieces in 5-digit or 3-digit packages of 10 or more pieces each qualify for the 3/5 automation rate.

b. Pieces in ADC or mixed ADC packages qualify for the Basic automation rate.

[Revise the heading of E200 as follows:]

E200 Periodicals

E210 Basic Standards

[Revise the heading of E211 as follows:]

E211 Standards Applicable to All Periodicals Publications

[Renumber current 1.1 and 1.2 as 1.2 and 1.3, respectively; in renumbered 1.3, and in 2.1, 3.0, 4.1, 5.1, 6.1, 6.2, 7.2, 7.4, 7.5, 8.1, 8.2, 9.0, 11.1, and 12.0, replace "second-class [mail]" with "Periodicals"; in 1.1, 4.1, 5.3, 7.4, 7.5, 10.2, and 13.1a, replace "second-class mail privileges" with "Periodicals mailing privileges"; in 6.1 and 9.0, replace "First-, third-, or fourth-class rates" with "First-Class or Standard Mail rates"; add new 1.1 and revise other text as follows:]

1.0 Basic Information

1.1 Second-Class

Effective July 1, 1996, second-class mail was renamed Periodicals. This name change does not alter the status of authorized publications; second-class mailing privileges are now referred to as

Periodicals mailing privileges and have comparable eligibility standards.

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10.0 Identification

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10.4 Bound Publication

In a bound publication (one secured with two or more staples, spiral binding, glue, stitching, or other permanent fastening), the identification statement must be shown conspicuously as described in 10.3 or on one of the last three editorial pages inside the back cover. If the publication is mailed with a permissible nonincidental enclosure paid with permit imprint, the identification statement must be located as specified in 10.3.

10.5 Identification Statement Content

The identification statement must contain:

* * * * *

g. The imprint "Periodicals Postage Paid at * * *" or, if mailed at two or more offices, "Periodicals Postage Paid at * * * and at additional mailing offices." A notice of pending application is shown instead if copies are mailed while an application is pending: "Application to Mail at Periodicals Postage Rates is Pending at * * *."

* * * * *

14.0 Basic Rate Eligibility

14.1 Regular Rates

Regular rates apply to all copies of an authorized Periodicals publication mailed by a publisher or news agent, except nonrequester and nonsubscriber copies under E215, unless the publication is authorized a preferred rate. Mailings are also subject to the standards that apply to rates or discounts claimed. Regular rates consist of a per piece charge, a zoned charge for the weight of the advertising portion of the publication, and an unzoned charge for the weight of the nonadvertising portion. Each piece rate requires specific preparation.

14.2 Preferred Rates

Preferred rates consist of the in-county rates and the special rates (nonprofit, classroom, and science-of-agriculture). Requester publications are not eligible for preferred rates. Copies of authorized Periodicals publications mailed at any preferred rate must meet the corresponding eligibility standards. Nonsubscriber copies mailed at preferred rates are subject to the standards in E215 and E270 and those applicable to other rates or discounts

claimed. Preferred rates consist of a per piece charge, a zoned charge for the weight of the advertising portion of the publication, and an unzoned charge for the weight of the nonadvertising portion, except that in-county rates apply without differentiation to the advertising and nonadvertising portions. Each piece rate requires specific preparation.

14.3 Discounts and Adjustments

Postage for Periodicals publications is reduced by all applicable discounts and adjustments:

a. The nonadvertising adjustment applies to the outside-county piece rate charges for Regular and Preferred Periodicals publications and is computed as described in P013.

b. Presort discounts are available for Regular and Preferred Periodicals, subject to E230.

c. Automation discounts are available for Regular and Preferred Periodicals, subject to E240.

d. Destination entry discounts are available for copies of a Periodicals publication entered by the publisher at specific USPS facilities, subject to E250.

14.4 Copies Mailed by Public

The applicable single-piece First-Class or Standard Mail rate is charged on copies of publications mailed by the general public (i.e., other than publishers or registered news agents) and on copies returned to publishers or news agents.

E212 Additional Standards for Qualification Categories

[In 1.1, 5.1, 5.3, 6.1, and 6.2, replace "second-class [mail]" with "Periodicals"; in 1.3, 2.1, 2.2, 2.3, 3.1, 5.1, and 5.3, replace "second-class [mail] privileges" with "Periodicals mailing privileges"; in 6.5, replace "third- or fourth-class rates" with "Standard Mail rates."]

[Revise the heading of E213 as follows:]

E213 Periodicals Mailing Privileges

[In 1.6b, 2.1, 3.5, and 3.6f, replace "second-class [mail]" with "Periodicals"; in 1.1, 1.2, 1.3, 1.4, 1.5, 1.9, 2.1, 3.1, 3.4, 3.5, 4.0 (heading), 4.1, 4.2, and 4.3, replace "[S]econd-[C]lass [[M]ail] [P]rivileges" with "Periodicals [M]ailing [P]rivileges"; in 2.1, replace "First-, third-, or fourth-class rates" with "First-Class or Standard Mail rates"; in 2.2, replace "third- or fourth-class rates" with "Standard Mail rates"; in 3.7 and 4.3, replace "under 39 CFR 954, Rules of Practice in Proceedings Relative to the Denial, Suspension, or Revocation of Second-Class Mail Privileges, a copy

of which" with "under 39 CFR 954, a copy of which"; no other change.]

E214 Reentry

[In 1.1, 1.2, 1.3, 2.2, 3.1, 3.3, 3.6, and 3.10, replace "second-class" with "Periodicals." In 2.1, replace "second-class mail privileges" with "Periodicals mailing privileges." In 3.10, replace "third- or fourth-class postage" with "Standard Mail postage"; in 3.12, replace "under 39 CFR 954, Rules of Practice in Proceedings Relative to the Denial, Suspension, or Revocation of Second-Class Mail Privileges, a copy of which" with "under 39 CFR 954, a copy of which"; no other change.]

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3.0 Applications for Reentry

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3.9 During Appeal

During the appeal:

a. Copies of any issue of a publication denied reentry under 1.0 and found unqualified for Periodicals mailing privileges are accepted in a pending status at the applicable Standard Mail rates. For this standard, the pending status begins when the appeal is filed and continues until the end of the appeal process.

b. Copies of a publication denied reentry under 2.0 are accepted at the currently applicable Periodicals rate.

c. The publisher must submit the applicable Periodicals and Standard Mail postage statements with each mailing of the publication in a pending status. Failure to submit these statements is sufficient grounds to deny a postage refund under 3.12.

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E215 Copies Not Paid or Requested by Addressee

[In 1.8, 2.1, 2.2, 2.6, and 2.7, replace "second-class" with "Periodicals"; in 1.6, replace "second-class privileges" with "Periodicals mailing privileges"; in 2.6, replace "Express Mail, or First-, third-, or fourth-class rates, as appropriate" with "the appropriate Express Mail, First-Class Mail, or Standard Mail rate" and "third- or fourth-class rates" with "Standard Mail rates"; in 2.7, replace "Express Mail, or First-, third-, or fourth-class rate" with "Express Mail, First-Class Mail, or Standard Mail rate."]

E216 Publisher Records

[Redesignate and revise text of current E216.3.0 as M210; renumber current E216.4.0 and E216.5.0 as E216.3.0 and E216.4.0, respectively; in renumbered 3.1, 3.4, 4.1, and 4.2, replace "second-class" with "Periodicals"; in 1.1, 2.2,

and renumbered 3.2 and 3.3, replace "second-class mail privileges" with "Periodicals mailing privileges."']

E217 Authorization for Preferred Rates

[In 1.3, 2.1, 2.2, 3.4, 3.5c, and 3.5g, replace "second-class" with "Periodicals"; in 1.2, 2.1, 2.2, replace "second-class [mail] privileges" with "Periodicals mailing privileges"; in 2.1, replace "First-, third-, or fourth-class rates" with "First-Class or Standard Mail rates"; in 2.2, replace "third- or fourth-class postage" with "Standard Mail postage"; in 3.4, replace "third- or fourth-class rates" with "Standard Mail rates."']

[Replace text of current 230 with new E231 and E239 as follows:]

E230 Nonautomation Periodicals

[Remove E230.1.0 through E230.6.0; insert new E231 as follows:]

E231 Nonautomation Regular Periodicals

1.0 General Information

1.1 Standards

The standards for presort rates are in addition to the basic standards for Periodicals in E210, the standards for other rates or discounts claimed, and the applicable preparation standards in M210, M810, or M820. Not all combinations of presort level, automation, and destination entry discounts are permitted.

1.2 Palletized Mail

A correctly prepared package is the equivalent of a sack when palletized under M045. Individual pieces qualify for the presort level rate appropriate for the palletized package in which they are placed, regardless of the destination of the pallet. Eligibility for destination entry or other zoned rates depends on the point of entry.

1.3 ZIP Code Accuracy

Effective October 1, 1996, 5-digit ZIP Codes included in addresses appearing on pieces claimed at the 3/5 or Basic rates must be verified and corrected within 12 months before the mailing date by a USPS-approved method. Mailers must certify that this standard has been met when the corresponding mail is presented to the USPS. This standard applies to each address individually, not to a specific list or mailing. An address meeting this standard may be used in mailings at any other rate to which the standard applies throughout the 12-month period following its most recent update.

2.0 Carrier Route Rates

2.1 Carrier Route Information

Subject to A930 and A950, mailers must apply carrier route codes to mailings using CASS-certified software and the current USPS Carrier Route Information System (CRIS) scheme or another AIS product containing carrier route information. Carrier route information must be updated within 90 days before the mailing date.

2.2 Eligibility

Preparation to qualify eligible pieces for carrier route rates is optional and is subject to M210. Carrier route sort need not be performed for all carrier routes in a 5-digit area. Specific rate eligibility is subject to these standards:

a. The basic carrier route rate applies to pieces in carrier route packages of six or more pieces each that are sorted to carrier route or carrier routes trays (letter-size pieces) or sacks (flat-size pieces).

b. The high density and saturation rates apply to pieces that are eligible for the basic carrier route rate, are prepared in carrier walk sequence, and meet the applicable density standards in 5.0 for the rate claimed.

3.0 3/5 Rates

Subject to M210, 3/5 rates apply to:

a. Letter-size pieces in 5-digit or *unique* 3-digit packages of six or more pieces each, either placed in 5-digit or *unique* 3-digit trays containing at least 24 pieces or in an overflow *unique* 3-digit tray.

b. Flat-size pieces in 5-digit or *unique* 3-digit packages of six or more pieces each, either placed in 5-digit or *unique* 3-digit sacks or palletized under M045.

4.0 Basic Rates

Basic rates apply to pieces prepared under M210 but not eligible for or claimed at either the carrier route or 3/5 rates.

5.0 Walk-Sequence Discounts—Regular Periodicals

[Insert text of current E230.7.0 and E230.8.0; redesignate and renumber as E231.5.0 and E231.6.0, respectively; in renumbered 5.4b and 5.4d, replace "125-piece walk-sequence rate" with "high density/125-piece walk-sequence rate"; in renumbered 5.4b, replace the reference "7.4d" with "5.4d" and the reference "7.4c" with "5.4c"; in renumbered 5.4d, replace the reference "7.4b" with "5.4b"; in renumbered 6.1 and 6.2, replace "second-class" with "Periodicals"; revise other text as follows:]

5.1 Eligibility

The 125-piece or saturation walk-sequence rates apply to each walk-sequenced piece in a carrier route mailing, eligible under 2.2 and prepared under M210, that also meets the corresponding addressing and density standards in 5.4.

* * * * *

E239 Nonautomation Preferred Periodicals

1.0 General Information

1.1 Standards

The standards for presort rates are in addition to the basic standards for Periodicals in E210, the standards for other rates or discounts claimed, and the applicable preparation standards in M290 or M890. Not all combinations of presort level, automation, and destination entry discounts are permitted.

1.2 Optional Preparation

At the mailer's option, Preferred Periodicals may be prepared under the standards for Regular Periodicals in M210, including presort. Under this option, Preferred Periodicals may claim Level I/K, Level H, or Level G/J rates, and may be combined (comailed) with Regular Periodicals in the same mailing, if *all* corresponding eligibility standards in E231 for Carrier Route, 3/5, and Basic are met. Presort rate eligibility for the mailing is based on the combined pieces.

1.3 Palletized Mail

A correctly prepared package is the equivalent of a sack when palletized under M045. Individual pieces qualify for the presort level rate appropriate for the palletized package in which they are placed, regardless of the destination of the pallet. Eligibility for destination entry or other zoned rates depends on the point of entry.

1.4 Reporting Presort Level

Publishers must separately report copies at Levels H3 and H5, and Levels J1, J3, and J5, only when claiming a ZIP+4 or ZIP+4 Barcoded rate.

2.0 Carrier Route (Level I/K) Rates

2.1 Rate Application

Level I/K rates apply as follows:

a. Level I1 or K1 rates apply to pieces in carrier route packages of six or more pieces each that are sorted to carrier route or carrier routes trays or sacks.

b. Level I2 or K2 rates apply to pieces eligible for the Level I1 or K1 rates that are further prepared in carrier delivery walk sequence and in the density

necessary to meet the additional standards in 6.0 for the 125-piece walk-sequence rate.

c. Level I3 or K3 rates apply to pieces eligible for the Level I1 or K1 rates that are further prepared in carrier delivery walk sequence and in the density necessary to meet the additional standards in 6.0 for the saturation walk-sequence rate.

2.2 Carrier Route Information

Mailers must apply carrier route codes to mailings by using the current USPS Carrier Route Information System (CRIS) scheme or another AIS product containing carrier route information (see A930). Carrier route information must be updated within 90 days before the mailing date.

3.0 3- and 5-Digit (Level H) Rates

3.1 H Rates

Level H rates apply to pieces in 5-digit, optional city, and unique 3-digit packages of six or more pieces each that are sorted to 5-digit, optional city, or unique 3-digit sacks.

3.2 H5 Rates

Level H5 rates apply:

a. In tray-based automation rate letter-size mailings, to pieces in 5-digit trays.

b. In package-based automation rate letter-size mailings, to pieces in 5-digit packages of 10 or more pieces each placed in 5-digit, optional city, 3-digit, SCF, or AADC trays.

c. In ZIP+4 Barcoded rate flat-size mailings, to pieces in 5-digit packages of six or more pieces each placed in 5-digit, optional city, 3-digit, SCF, or ADC sacks or palletized under M045.

d. In other mailings, to pieces in 5-digit packages of six or more pieces each placed in 5-digit, optional city, or unique 3-digit sacks.

3.3 H3 Rates

Level H3 rates apply:

a. In tray-based automation rate letter-size mailings, to pieces in optional city and unique 3-digit trays.

b. In package-based automation rate letter-size mailings, to pieces in optional city and unique 3-digit packages of 50 or more pieces each placed in optional city, 3-digit, SCF, or AADC trays.

c. In ZIP+4 Barcoded rate flat-size mailings, to pieces in optional city and unique 3-digit packages of six or more pieces each placed in optional city, 3-digit, SCF, or ADC sacks or palletized under M045.

d. In other mailings, to pieces in optional city or unique 3-digit packages of six or more pieces each placed in optional city or unique 3-digit sacks.

4.0 Basic (Level G) Rates

Level G rates apply to pieces not eligible for or claimed at the rates in 2.0 or 3.0.

5.0 In-County (Level J) Rates

[Insert text of current E230.5.0 and redesignate as E239.5.0; in 5.2c and 5.3c, replace "SDC" with "ADC."]

6.0 Walk-Sequence Discounts

[Insert text of current E230.7.0 and redesignate and renumber as E239.6.0; in renumbered 6.1, replace the references "M203 and M204" and "7.4" with "M290" and "6.4," respectively; in renumbered 6.4b and 6.4d, replace "125-piece walk-sequence rate" with "high density/125-piece walk-sequence rate"; in renumbered 6.4b, replace the reference "7.4d" with "6.4d"; in renumbered 6.4d, replace the reference "7.4b" with "6.4b"; no other change to text.]

E240 Automation Periodicals Rates

[Insert new E241 as follows:]

E241 Automation Regular Periodicals

1.0 BASIC STANDARDS

1.1 All Pieces

All pieces in a automation Regular Periodicals mailing must:

a. Meet the basic standards for Periodicals and for the category of authorization in E211 and E212, respectively.

b. Be in the same processing category and meet the applicable physical standards in C810 or C820. (Automation rate mailings may not include firm packages.)

c. Bear a delivery address that includes the correct ZIP Code or ZIP+4 code (or, only if prepared with a delivery point barcode (DPBC), the numeric equivalent to the DPBC).

d. Meet the address quality and coding standards of A800 and A950.

e. Be sorted and documented as specified in M810 or M820, as applicable.

f. Meet the applicable documentation and postage payment standards in P012, P013, and P200.

g. Bear an accurate barcode meeting the standards in C840, either a DPBC (if a letter) or a ZIP+4 barcode or DPBC (if a flat), either on the piece or on an insert showing through a barcode window.

1.2 Enclosed Reply Cards and Envelopes

Effective January 1, 1997, all courtesy reply and business reply mail (BRM) cards and letter-size envelopes provided as enclosures in automation rate Regular Periodicals must meet the standards in

C810 for enclosed cards and envelopes. Mailers must certify that this standard has been met when the corresponding mail is presented to the USPS.

2.0 Rate Application

2.1 Letters

Automation rates apply to each letter-size piece that is sorted under M810 into the corresponding qualifying groups:

a. Groups of 150 or more pieces in 5-digit or unique 3-digit trays qualify for the 3/5 automation rate. Pieces for unique 3-digit destinations do not qualify for the 3/5 automation rate if placed in 3-digit scheme trays with pieces for nonunique 3-digit destinations.

b. Groups of 150 or more pieces in other 3-digit, 3-digit scheme, AADC, or mixed AADC trays qualify for the Basic automation rate.

2.2 Flats

Automation rates apply to each flat-size piece that is sorted under M820 into the corresponding qualifying groups:

a. Pieces in 5-digit or unique 3-digit packages of 6 or more pieces each qualify for the 3/5 automation rate.

b. Pieces in other 3-digit, ADC, or mixed ADC packages qualify for the Basic automation rate.

E249 Automation Preferred Periodicals

[Insert text of current E242, E244, and E245 and redesignate and renumber as E249.1.0, E249.2.0, and E249.3.0, respectively, with subsections redesignated accordingly; no change in text except to replace "second-class [mail]" with "Periodicals."]

1.0 Zip+4 Discounts

1.1 All Pieces

All pieces in a Preferred Periodicals ZIP+4 rate mailing must:

a. Meet the basic standards for Periodicals and for the category of authorization in E211 and E212, respectively.

b. Meet the physical standards in C810.

c. Bear a delivery address that includes the correct ZIP Code or ZIP+4 code (or, only if prepared with a delivery point barcode (DPBC), the numeric equivalent to the DPBC).

d. Meet the address quality and coding standards of A800 and A950.

e. Meet the standards in C830 or, for pieces with the correct DPBC, the barcode standards in C840.

f. Be sorted and documented as specified in M891 or M892.

g. Meet the postage payment standards in P013 and P200.

1.2 Rate Application

ZIP+4 rates apply to each piece that also:

- a. Is sorted under M810 into the qualifying groups described in 1.7 and 1.8.
- b. Bears a delivery address with the correct numeric ZIP+4 code or bears the correct DPBC.

1.3 Barcode Window

A mailpiece meeting the standards in 1.1 and 1.2, but with a barcode window in the lower right corner, is ineligible for any automation rate unless the correct DPBC appears through that window.

1.4 5-Digit Barcodes

ZIP+4 rate mailings may include pieces with correct 5-digit barcodes if those pieces meet the standards in 1.1 and 1.2 and the standards for 5-digit barcodes in C840. Such pieces qualify for ZIP+4 rates only if the barcode is printed on the piece and the address contains the correct numeric ZIP+4 code.

1.5 ZIP+4 Barcodes

ZIP+4 rate mailings may include pieces with correct ZIP+4 barcodes if the barcode is located in the address block and those pieces meet the standards in 1.1 and 1.2 and the standards for ZIP+4 barcodes in C840. Such pieces qualify for ZIP+4 rates only if, additionally, the address contains the correct numeric ZIP+4 code. Pieces that bear a ZIP+4 barcode in the lower right corner may not be included in a ZIP+4 rate mailing.

1.6 85% Rule

At least 85% of all pieces in a ZIP+4 rate mailing (regardless of presort level or rate) must bear the correct numeric ZIP+4 code or DPBC for the delivery address, as defined by the standards for address quality and coding accuracy in A800 and A950. The 85% requirement applies to each mailing unless excepted by other standards.

1.7 Qualifying Tray-Based Presort

In tray-based mailings under M891:

- a. In full or overflow 5-digit trays, ZIP+4 coded or DPBC pieces qualify for the Level H5/J5 ZIP+4 rates; other pieces qualify for the Level H5/J5 rates.
- b. In full or overflow optional city and unique 3-digit trays, ZIP+4 coded or DPBC pieces qualify for the Level H3/J3 ZIP+4 rates; other pieces qualify for the Level H3/J3 rates.
- c. In full or overflow nonunique 3-digit and SCF trays, ZIP+4 coded or

DPBC pieces qualify for the Level G/J1 ZIP+4 rates; other pieces qualify for the Level G/J1 rates. One less-than-full SCF tray is permitted for the SCF serving the post office where the mailing is entered.

- d. In AADC, mixed AADC, and working trays, ZIP+4 coded or DPBC pieces qualify for the Level G/J1 ZIP+4 rates; other pieces qualify for the Level G/J1 rates.

1.8 Qualifying Package-Based Presort

In package-based mailings under M892:

- a. In 5-digit packages of 10 or more pieces each, ZIP+4 coded or DPBC pieces qualify for the Level H5/J5 ZIP+4 rates; other pieces qualify for the Level H5/J5 rates.
- b. In optional city and unique 3-digit packages of 50 or more pieces each, ZIP+4 coded or DPBC pieces qualify for the Level H3/J3 ZIP+4 rates; other pieces qualify for the Level H3/J3 rates.
- c. In nonunique 3-digit packages of 50 or more pieces each, ZIP+4 coded or DPBC pieces qualify for the Level G/J1 ZIP+4 rates; other pieces qualify for the Level G/J1 rates.
- d. In the residual portion of the mailing, ZIP+4 coded or DPBC pieces qualify for the Level G/J1 ZIP+4 rates; other pieces qualify for the Level G/J1 rates.

2.0 Barcoded Discounts (Letter-Size Pieces)

2.1 All Pieces

All pieces in a Barcoded rate letter-size mailing must:

- a. Meet the basic standards for Periodicals and for the category of authorization in E211 and E212, respectively.
- b. Meet the physical standards in C810.
- c. Bear a delivery address that includes the correct ZIP Code or ZIP+4 code (or, only if prepared with a delivery point barcode (DPBC), the numeric equivalent to the DPBC).
- d. Meet the address quality and coding standards of A800 and A950.
- e. Either bear the correct DPBC meeting the barcode standards in C840 or meet the applicable standards in 2.5.
- f. Be sorted and documented as specified in M893, M894, or M895.
- g. Meet the postage payment standards in P013 and P200.

2.2 Rate Application

Barcoded rates apply to each piece that also:

- a. Is sorted under M893, M894, or M895 into the qualifying groups described in 2.8, 2.9, and 2.10.
- b. Bears the correct DPBC that meets the barcode standards in C840.

- c. Meets the applicable standards in 2.4 through 2.7.

2.3 Optional Preparation

At the mailer's option, barcoded Preferred Periodicals may be prepared under the standards for Regular Periodicals in M810, including presort. Under this option, Preferred Periodicals may claim Level H or Level G/J rates and may be combined (comailed) with Regular Periodicals in the same mailing, if *all* corresponding eligibility standards in E231 and E241 for 3/5 and Basic rate are met. Presort rate eligibility for the mailing is based on the combined pieces.

2.4 Barcode Window

A mailpiece with a barcode window in the lower right corner is ineligible for an automation rate unless the correct DPBC appears through that window.

2.5 Pieces Without DPBCs

Subject to 1.5 and 1.6, Barcoded rate mailings may include nonbarcoded, 5-digit barcoded, or ZIP+4 barcoded pieces if each such piece (regardless of rate) meets the standards in 2.1, has a barcode clear zone in the lower right corner meeting the reflectance standards in C840 and, if applicable, meets the applicable 5-digit or ZIP+4 barcode standards in C840. Additionally, to qualify for a ZIP+4 rate, subject to 2.8, 2.9, and 2.10:

- a. Nonbarcoded and 5-digit barcoded pieces must bear an address with the correct ZIP+4 code, meet the standards in C830, and not have a window in the lower right corner.
- b. ZIP+4 barcoded pieces must have the barcode in the address block, meet the standards in C830, bear an address with the correct ZIP+4 code, and not have a window in the lower right corner.

2.6 85% Rule

Subject to 2.7, at least 85% of all pieces in a Barcoded rate mailing (regardless of presort level or rate) must bear the correct DPBC for the delivery address, as defined by the standards for address quality and coding accuracy in A800 and A950. The 85% requirement applies to each mailing unless excepted by other standards.

2.7 100% Barcoding

Each piece must bear the correct delivery point barcode:

- a. In 5-digit trays in a tray-based mailing under M893.
- b. In 5-digit packages in a package-based mailing under M894 or M895.
- c. In any mailing containing heavy letters (as defined in C810).

2.8 Qualifying Tray-Based Presort

In tray-based mailings under M893:

a. Pieces in full or overflow 5-digit trays qualify for the Level H5/J5 Barcoded rates.

b. In full or overflow optional city and unique 3-digit trays, DPBC pieces qualify for the Level H3/J3 Barcoded rates; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Level H3/J3 ZIP+4 rate; other pieces qualify for the Level H3/J3 rates.

c. In full or overflow nonunique 3-digit and SCF trays, DPBC pieces qualify for the Level G/J1 Barcoded rates; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Level G/J1 ZIP+4 rates; other pieces qualify for the Level G/J1 rates. One less-than-full SCF tray is permitted for the SCF serving the post office where the mailing is entered.

d. In AADC, mixed AADC, and working trays, DPBC pieces qualify for the Level G/J1 Barcoded rates; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Level G/J1 ZIP+4 rates; other pieces qualify for the Level G/J1 rates.

2.9 Qualifying Two-Tier Package-Based Presort

In two-tier package-based mailings under M894:

a. Pieces in 5-digit packages of 10 or more pieces each qualify for the Level H5/J5 Barcoded rates.

b. In optional city and unique 3-digit packages of 50 or more pieces each, DPBC pieces qualify for the Level H3/J3 Barcoded rates; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Level H3/J3 ZIP+4 rates; other pieces qualify for the Level H3/J3 rates.

c. In nonunique 3-digit packages of 50 or more pieces each, DPBC pieces qualify for the Level G/J1 Barcoded rates; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Level G/J1 ZIP+4 rates; other pieces qualify for the Level G/J1 rates.

d. In residual trays, DPBC pieces qualify for the Level G/J1 Barcoded rates; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Level G/J1 ZIP+4 rates; other pieces qualify for the Level G/J1 rates.

2.10 Qualifying Three-Tier Package-Based Presort

In three-tier package-based mailings under M895:

a. Pieces in 5-digit packages of 10 or more pieces each in the 5-digit tier qualify for the Level H5/J5 Barcoded rates.

b. In optional city and unique 3-digit packages of 50 or more pieces each in the 3-digit tier, DPBC pieces qualify for

the Level H3/J3 Barcoded rates; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Level H3/J3 ZIP+4 rates; other pieces qualify for the Level H3/J3 rates.

c. In nonunique 3-digit packages of 50 or more pieces each in the 3-digit tier, DPBC pieces qualify for the Level G/J1 Barcoded rates; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Level G/J1 ZIP+4 rates; other pieces qualify for the Level G/J1 rates.

d. In the residual tier, DPBC pieces qualify for the Level G/J1 Barcoded rates; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Level G/J1 ZIP+4 rates; other pieces qualify for the Level G/J1 rates.

3.0 Barcoded Discounts (Flat-Size Pieces)**3.1 All Pieces**

All pieces in a Barcoded rate flat-size mailing must:

a. Meet the basic standards for Periodicals and for the category of authorization in E211 and E212, respectively.

b. Meet the physical standards in C820.

c. Bear a delivery address that includes the correct ZIP Code or ZIP+4 code.

d. Meet the address quality and coding standards of A800 and A950.

e. Bear the correct 5-digit barcode, ZIP+4 barcode, or DPBC, meeting the barcode standards in C840, *except for pieces in specific portions of mailings prepared under M897.*

f. Be sorted and documented as specified in M897.

g. Meet the postage payment standards in P013 and P200.

3.2 Rate Application

Barcoded rates apply to each piece that also:

a. Is sorted under M897 into the qualifying groups described in 3.6.

b. Bears the correct ZIP+4 barcode or DPBC.

c. Meets the applicable standards in 3.3 through 3.5.

3.3 Optional Preparation

At the mailer's option, barcoded Preferred Periodicals may be prepared under the standards for Regular Periodicals in M820, including presort. Under this option, Preferred Periodicals may claim Level H or Level G/J rates and may be combined (comailed) with Regular Periodicals in the same mailing, if all corresponding eligibility standards in E231 and E241 for 3/5 and Basic rates are met. Presort rate eligibility for the mailing is based on the combined pieces.

3.4 5-Digit Barcodes

Barcoded rate mailings may include pieces with correct 5-digit barcodes if those pieces meet the standards in 3.1, 3.2, 3.3, and 3.5 and the standards for 5-digit barcodes in C840. Pieces with a 5-digit barcode could be eligible for a presort rate under 3.6.

3.5 85% Rule

At least 85% of all pieces in a Barcoded rate mailing (regardless of presort level or rate) must bear the correct ZIP+4 barcode or DPBC for the delivery address, as defined by the standards for address quality and coding accuracy in A800 and A950. The 85% requirement applies to each mailing unless excepted by other standards. Barcoded rate mailings not meeting the 85% rule must be prepared under corresponding standards in M897.

3.6 Qualifying Presort

Barcoded and presort rates apply as follows:

a. In 5-digit packages of six or more pieces each, ZIP+4 barcoded or DPBC pieces qualify for the Level H5/J5 Barcoded rates; 5-digit barcoded pieces (and nonbarcoded pieces where permitted) qualify for the Level H5/J5 rates.

b. In optional city or unique 3-digit packages of six or more pieces each, ZIP+4 barcoded or DPBC pieces qualify for the Level H3/J3 Barcoded rates; 5-digit barcoded pieces qualify for the Level H3/J3 rates.

c. In nonunique 3-digit and SCF packages, or in 5-digit, optional city, or unique 3-digit packages of fewer than six pieces, or in residual packages, ZIP+4 barcoded or DPBC pieces qualify for the Level G/J1 Barcoded rates; 5-digit barcoded pieces qualify for the Level G/J1 rates.

[Revise E250 as follows:]

E250 Destination Entry**1.0 DSCF****1.1 Eligibility**

Copies not eligible for in-county rates qualify for the destination SCF (DSCF) rates if the copies are addressed for delivery in the same SCF service area as the entry post office, regardless of the type of package, pallet, sack, or tray in which they are prepared.

1.2 Rates

DSCF rates include a pound rate and a discount per piece. Pieces claimed at DSCF rates must also meet the standards for any discount or rate claimed and postage payment method used.

1.3 Authorized Entry

Publications must have an authorized entry at each post office where mail is entered at DSCF rates. Only copies entered according to the distribution plan authorized for that entry may be claimed at these rates. DSCF rate mail must be deposited at locations and times specified by the entry office postmaster.

1.4 Documentation

Subject to P012, the publisher must be able to show compliance with 1.1 through 1.3, e.g., by package, bundle, sack, tray, or pallet destination (as appropriate), and the number of pieces by presort level for each 5-digit ZIP Code destination eligible for DSCF rates.

2.0 DDU

2.1 Eligibility

The destination delivery unit (DDU) rate applies to pieces entered at the facility where the carrier cases mail for the carrier route serving the delivery address on the mailpiece. Copies claimed at DDU rates must be part of a carrier route package placed in a carrier route or 5-digit carrier routes sack or tray under M210, or palletized under M045, and otherwise eligible for and claimed at a carrier route or Level I or K rate. Except for the standards applicable to preparing carrier route or walk-sequence rate mail, there is no additional minimum volume required for a DDU rate mailing.

2.2 Rates

DDU rates include a pound rate and a discount per piece. Pieces claimed at DDU rates must also meet the standards for any discount or rate claimed and postage payment method used. A mailing may contain copies claimed at DDU rates and other copies claimed at other rates if permitted by standard. No separation by rate is required.

2.3 Maximum Volume

Except under 2.4, the same mailer may not present for verification and acceptance more than four DDU rate mailings at the same destination postal facility (or another acting as its agent) in any 24-hour period. This limit may be waived if local conditions permit. A mailer may ask for such a waiver when scheduling deposit of the mailings. There is no maximum for plant-verified drop shipments. This standard does not apply to mailings presented to either the publication's authorized original entry post office or an authorized additional entry serving the place where the copies were prepared for mailing, if that entry post office is the destination postal

facility at which the DDU rate copies must be deposited.

2.4 Authorized Entry

Publications must have an authorized entry at each post office where mail is entered at DDU rates. Only copies entered according to the distribution plan authorized for that entry may be claimed at these rates. DDU rate mail must be deposited at locations and times specified by the entry office postmaster.

2.5 Scheduling

Mailers may schedule deposit of DDU rate mailings at least 24 hours in advance by contacting the district office in whose service area the destination facility is located. Mailers must follow the scheduled deposit time provided. Mailers may request standing appointments for renewable 6-month periods by written application to the district office in whose service area the destination facility is located. Mixed loads of Periodicals and Standard Mail require advance appointments for deposit.

2.6 Documentation

Subject to P012, the publisher must be able to show compliance with 2.1 through 2.5. If a carrier route or walk-sequence rate is claimed, the publisher must provide the documentation required by the corresponding standards.

E270 Preferred Rates

[In 1.1, 1.2c, 2.1, 5.1, 6.1, and 6.2, replace "second-class" with "Periodicals"; in 1.3, replace "second-class mailing privileges" with "Periodicals mailing privileges."]

[Revise the heading of 1.0 as follows:]

1.0 In-County

* * * * *

1.6 DDU Rate

Subject to E250, the DDU piece rate applies to each piece claimed in the pound rate portion at the DDU rate.

[Revise the heading of 2.0 as follows:]

2.0 Nonprofit—Basic Information

* * * * *

2.4 Destination Entry Rates

Subject to E250, the DDU or DSCF piece rate applies to each piece claimed in the pound rate portion at the corresponding rate.

[Remove current 2.5.]

[Revise the heading of 3.0 as follows:]

3.0 Nonprofit—Publications of Qualified Nonprofit Organizations

* * * * *

[Revise the heading of 4.0 as follows:]

4.0 Nonprofit—Publications of Other Qualified Organizations

* * * * *

[Revise the heading of 5.0 as follows:]

5.0 Classroom

* * * * *

5.5 Destination Entry Rates

Subject to E250, the DDU or DSCF piece rate applies to each piece claimed in the pound rate portion at the corresponding rate.

[Remove current 5.6.]

[Revise the heading of 6.0 as follows:]

6.0 Science-of-Agriculture

* * * * *

6.5 Destination Entry Rates

Subject to E250, the DDU or DSCF piece rate applies to each piece claimed in the pound rate portion at the corresponding rate.

[Remove current 6.6.]

[Remove current E300 and E400; no change to E500.]

* * * * *

[Insert new E600 as follows:]

E600 Standard Mail

E610 Basic Standards

[Insert new E611, based on current E311 and E411, as follows:]

E611 Standards Applicable to All Standard Mail

1.0 General Information

1.1 Definition

Standard Mail consists ofailable matter that is neither mailed or required to be mailed as First-Class Mail nor entered as Periodicals mail (unless permitted or required by standard). Standard Mail includes matter formerly classified as third-class mail and as fourth-class mail. Though combined in Standard Mail, matter from each former class is subject to separate and specific classification, eligibility, and preparation standards. Matter formerly classified as third-class mail is referred to as Standard Mail (A); matter formerly classified as fourth-class mail is referred to as Standard Mail (B). The unmodified term Standard Mail applies to both former third-class and former fourth-class matter.

1.2 Not Sealed

Standard Mail is not sealed against postal inspection. Regardless of physical

closure, the mailing of articles at Standard Mail rates is consent by the mailer to postal inspection of the contents.

1.3 Written Additions

Markings that have the character of personal correspondence require, with certain exceptions, additional postage at the First-Class rates. The following written additions and enclosures do not require additional First-Class postage and may be placed on the wrapper, on a tag or label attached to the outside of a parcel, or inside a parcel (either loose or attached to an article):

- a. The sender's and the addressee's names, occupations, and addresses, preceded by "From" or "To," and directions for handling.
- b. Marks, numbers, names, or letters describing the contents.
- c. Words or phrases such as "Do Not Open Until Christmas," "Happy Birthday, Mother," etc.
- d. Instructions and directions for the use of the item mailed.
- e. A manuscript dedication or inscription not having the nature of personal correspondence.
- f. Marks to call attention to words or passages in the text.
- g. Corrections of typographical errors in printed matter.
- h. Manuscripts accompanying related proof sheets and corrections of proof sheets including corrections of typographical and other errors, changes in the text, insertions of new text, marginal instructions to the printer, and corrective rewrites of parts.
- i. Handstamped imprints, unless the added material is in itself personal or converts the original matter to a personal communication.
- j. Matter mailable separately as Standard Mail (A) printed on the wrapper, envelope, tag, or label.

1.4 Invoice

An invoice, whether or not it also serves as a bill, may be enclosed or placed in an envelope (marked "Invoice Enclosed") attached to the outside of a Standard Mail mailpiece if the invoice relates solely to the matter with which it is mailed. The invoice may show this information:

- a. Names and addresses of the sender and addressee.
- b. Names and quantities of the articles enclosed, descriptions of each (e.g., price, tax, style, stock number, size, and quality, and, if defective, nature of defects).
- c. Order or file number, date of order, date and manner of shipment, shipping weight, postage paid, and initials or name of packer or checker.

1.5 Incidental First-Class Attachments and Enclosures

Incidental First-Class matter may be enclosed in or attached to Standard Mail (A) merchandise (including books but excluding merchandise samples) or any Standard Mail (B) mailpiece without payment of First-Class postage. An incidental First-Class attachment or enclosure must be matter that, if mailed separately, would require First-Class postage, is closely associated with but secondary to the host piece, and is prepared not to encumber postal processing. An incidental First-Class attachment or enclosure may be a bill for the product or publication, a statement of account for past products or publications, or a personal message or greeting included with a product, publication, or parcel. Postage at the Standard Mail rate applicable to the host piece is based on the combined weight of the host piece and the incidental First-Class attachment or enclosure.

1.6 Address Correction

The fee for manual or automated address correction service is charged per notice issued.

1.7 Addressing

Each piece of Standard Mail must bear a delivery address. Alternative address formats or detached address labels may be used, subject to A040 or A060, respectively.

1.8 Documentation

A postage statement, completed and signed by the mailer, using the correct USPS form or an approved facsimile, must be submitted with each mailing except for single-piece rate mailings in which the correct postage is affixed to each piece. Supporting documentation might be required by the standards for the rate claimed or postage payment method used.

[Insert new E612, based on current E311 and E312, as follows:]

E612 Additional Standards Applicable to Standard Mail (A)

1.0 Weight

Standard Mail (A) must weigh less than 16 ounces.

2.0 Content

2.1 Circulars

Circulars, including printed form letters that, according to internal evidence, are sent in identical terms to more than one person are Standard Mail (A). A circular does not lose its character as such if a date and the individual names of the addressee and

sender are printed therein or handwritten corrections of typographical errors are made on the circular.

2.2 Printed Matter

Printed matter weighing less than 16 ounces may be sent as Standard Mail (A). For this standard, printed matter means paper on which words, letters, characters, figures, or images (or any combination of them), not having the character of a bill or statement of account or of actual or personal correspondence, are reproduced by any process other than handwriting or typewriting.

2.3 Computer-Prepared Material

Computer-prepared material is considered printed matter. Such material is not considered to have the character of actual or personal correspondence merely because it contains:

- a. Specific information about a product offered for sale or lease (e.g., size, color, price) or a service being offered (e.g., the name, address, and telephone number of a company representative).
- b. Information relating the addressee directly to an advertised product or service.
- c. Information such as the amount paid for a previous purchase, pledge, or donation, when associated with a sales promotion or solicitation for donations.

3.0 Enclosures and Attachments

3.1 Nonincidental First-Class Enclosures

Letters or other pieces of nonincidental First-Class Mail, subject to postage at First-Class rates, may be enclosed with Standard Mail (A). Postage for the First-Class enclosure must be placed on the outside of the mailpiece. It may be affixed separately or added to the postage for the host piece. The endorsement "First-Class Mail Enclosed" must be placed on the mailpiece, below the postage and above the address.

3.2 Nonincidental First-Class Attachments

Letters or other pieces of nonincidental First-Class Mail may be placed in an envelope and securely attached to the address side of a Standard Mail (A) mailpiece or of the principal mailpiece, as applicable. Combination envelopes or containers with separate parts for the two classes of mail may be used. The names and addresses of the sender and addressee must be placed on both the principal mailpiece and the attachment.

Alternatively, the sender's name and address must be placed on one part and the addressee's name and address on the other. If the mailpiece is a combination container with inseparable parts or compartments, the names and addresses may appear on only one part. The applicable Standard Mail (A) postage for the Standard Mail (A) matter must be prepaid and placed in the upper right corner of the address space. Postage at the applicable First-Class rate must be paid for and affixed to the First-Class attachment, unless other payment methods are permitted by standard.

3.3 Attachment of Other Standard Mail (A) Matter

The front cover page or the back cover page of a Standard Mail (A) mailpiece may bear an attachment that is other Standard Mail (A) matter if:

- a. Each piece in the mailing bears the same attachment.
- b. The material qualifies for and is mailed at bulk rates.
- c. The pieces bearing the attachment are larger than 6 by 11 inches.
- d. The attachment is secured so as not to interfere with processing or delivery. Folded or multipage attachments must be secured to prevent opening during handling.
- e. The mailing is sorted to carrier routes.

3.4 Protective Covers

A protective cover (outsert) on a catalog or book must fully cover (to within 3/4 inch of each edge) the main body of the catalog or book, front and back, or the entire piece must be enclosed in a wrapper (a full sleeve or envelope).

4.0 Bulk Rates

4.1 General Information

Bulk rates apply to mailings meeting the basic standards in E611 and the corresponding standards for presort, automation, and destination entry in E630, E640, and E650, as appropriate for the rate claimed. Nonprofit rates may be used only by organizations authorized by the USPS under E670. Bulk rate Standard Mail (A) may not use certified, collect on delivery (COD), insurance, registry, return receipt for merchandise, special delivery, and special handling services. Not all processing categories qualify for every bulk rate.

4.2 Minimum Per Piece Rates

The minimum per piece rates (i.e., the minimum postage that must be paid for each piece) apply to Enhanced Carrier Route rate pieces weighing 0.2066 pound (rounded, or 3.3062 ounces, rounded) or less, Regular

nonautomation and automation rate pieces weighing 0.2068 pound (rounded, or 3.3087 ounces, rounded) or less, and Nonprofit nonautomation and automation rate pieces weighing 0.2149 pound (rounded, or 3.4383 ounces, rounded) or less. The base postage rate applies to pieces meeting minimum preparation standards (e.g., Basicrate) and may be reduced if additional standards are met. For the minimum per piece rates, mail is categorized as either "letters" or "other than letters" based on the letter-size standard in C050 that disregards address placement, except that, for automation rates, mail may be assigned to the "other than letters" category based on the standards in C820. Address placement is also used to apply the aspect ratio standard for letter-size automation rates in C810.

4.3 Piece/Pound Rates

Pieces exceeding the weight limits specified in 4.2 are subject to a two-part piece/pound rate that includes a fixed charge per piece and a variable pound charge based on weight. The base postage rate applies to pieces meeting the minimum preparation standards (e.g., basic nonautomation presort). Discounts are available subject to the corresponding standards.

4.4 Net Postage

The net postage rate that must be paid is either the minimum per piece rate or the piece/pound rate, as reduced in either case by any discounts for which the piece is eligible. The net postage rate is commonly designated by the name of the primary discount (e.g., carrier route rate, automation rate, DBMC rate).

4.5 Minimum Rate Per Piece

Postage is computed at the applicable rates on the entire bulk mailing to be mailed at one time. Subject to 4.6, the total postage paid on any bulk mailing may not be lower than the amount determined by multiplying the proper minimum per piece rate (less applicable discounts) by the total number of mailpieces. If the total postage computed at pound rates, after any adjustment for presort level, is less than the minimum postage charge, postage must be computed at the minimum per piece rate.

4.6 Exception

When the postage computed at the bulk Standard Mail (A) rates is higher than a Standard Mail (B) rate for which the matter and the mailing could qualify except for its weight, the Standard Mail (B) rate may be paid without adding needless weight. All other standards for bulk Standard Mail (A) apply.

4.7 Annual Fees

Bulk rate Standard Mail (A) is subject to an annual fee once each 12-month period. The fee may be paid in advance only for the next year and only during the last 30 days of the current service period. The fee charged is that in effect on the date of payment. Additional standards apply, based on how postage is paid:

a. When mailings are paid with meter or precanceled stamps, each mailer who enters mailings at the Regular, Enhanced Carrier Route, or Nonprofit rates must pay an annual bulk mailing fee at each post office of mailing. Persons or organizations paying this fee may enter mail of their clients as well as their own mail.

b. When a mailing is paid with a permit imprint, the mailer whose permit imprint is on the mailpiece must put that permit number on the postage statement and must pay the annual bulk mailing fee for that permit. This fee is in addition to the fee that must be paid when applying to use permit imprints.

4.8 Merging

Mailings are subject to the general definition and conditions in M011. Generally, mailers may merge similar bulk Standard Mail (A) matter into a single mailing. Differences in text, address labels, and address lists or list key numbers do not prohibit the mailer from merging and sorting pieces together. Pieces with different methods of postage payment may be combined in the same mailing only if authorized by the RCSC. Pieces of nonidentical weight, if merged in the same mailing, must bear the correct postage when mailed, unless otherwise authorized by the RCSC.

4.9 Preparation

Each Nonprofit, Regular, or Enhanced Carrier Route rate mailing must be prepared under these general standards:

a. All pieces in a mailing must be of the same processing category, except that irregular and machinable parcels may be commingled in 5-digit sacks or on 5-digit pallets.

b. Each mailing must contain at least 200 pieces or 50 pounds of pieces. Other volume standards can also apply, based on the rate claimed.

c. The same mailing may not contain both automation and nonautomation rate pieces except as allowed under E649.

d. All pieces in a bulk mailing must be sorted together and marked under the standards applicable to the rate claimed.

d. Each piece must bear the addressee's name and delivery address,

including the correct ZIP Code or ZIP+4 code, unless an alternative address format is used subject to A040. Pieces in automation rate mailings, upgradable nonautomation rate pieces, or pieces prepared with detached address labels, are subject to additional standards.

e. Postage must be paid under the standards in P600 with precanceled stamps, postage meter, or permit imprint.

f. Mailings must be documented under P012 and the standards for the rate claimed.

g. Each piece must meet the standards applicable to any other rate or discount claimed.

h. Any POSTNET barcode on a mailpiece must be the correct barcode for the delivery address and meet the standards in C840 and A950.

i. Mailings must be deposited at a business mail entry unit of the post office where the postage permit or license is held and the annual bulk fee paid, unless deposit elsewhere is permitted by standard.

[Insert new E613, based on current E411, as follows:]

E613 Additional Standards Applicable to Standard Mail (B)

1.0 Weight

Standard Mail (B) consists of mailable matter that (except Special Standard Mail and Library Mail) weighs 16 ounces or more.

2.0 Zoned Rates

2.1 Required Mailing Office

Zoned Standard Mail (i.e., parcel post and bound printed matter) must be mailed at the post office from which the zone rate postage was computed, except under 2.2 and 2.3.

2.2 Redirected Mailings

Mailers who present large mailings of zoned Standard Mail may be allowed or directed to deposit such mailings at another postal facility when processing or logistics make such an alternative desirable for the USPS, subject to these conditions:

a. Zoned postage need not be recomputed if both the original post office of mailing and the alternative facility use the same zone chart for computing zoned postage, based on the 3-digit prefix of their ZIP Codes.

b. Postage must be recomputed on pieces in mailings redirected to a postal facility that uses a different zone chart for computing zoned postage.

c. Postage for pieces claimed at the local zone rates must be recomputed at the applicable zone rate for the alternative postal facility. Postage may

also be recomputed for other pieces that are ineligible for the local zone rates but that could become eligible at the postal facility to which the mailing is redirected.

2.3 BMC Acceptance

Mailers may present zoned Standard Mail at a BMC for acceptance if:

a. Metered postage is paid through a postage meter licensed at the BMC parent post office, or permit imprint postage is paid through an advance deposit account at the BMC parent post office or another post office in the BMC service area, unless otherwise permitted by standard.

b. Zoned postage is computed from the BMC parent post office.

c. The BMC is authorized by Form 4410 to act as acceptance agent for the entry post office.

3.0 Addressing

All Standard Mail (B) must bear the sender's return address and, except for single-piece rate parcel post, the delivery address on each piece must include the correct ZIP Code or ZIP+4 code.

E620 Nonautomation Nonpresort Standard Mail Rates

[Insert text of current E320 and redesignate as E621; revise as follows:]

E621 Single-Piece Standard Mail (A)

1.0 Single-Piece Rate

1.1 Rate Application

Single-piece rate Standard Mail (A) is Standard Mail (A) matter not prepared as required for a bulk rate. The single-piece rates are applied to each piece (or each item mailed under 1.2) based on its weight. If the computed single-piece Standard Mail (A) rate is higher than any Standard Mail (B) rate for which the mail could qualify except for weight, the lower Standard Mail (B) rate may be paid; all other standards for single-piece Standard Mail (A) apply.

1.2 Keys and Identification Devices

Keys and identification devices (identification cards or uncovered identification tags) may be mailed as single-piece Standard Mail (A) if they bear, contain, or have securely attached instructions to return to a name and complete address of a person, organization, or concern and a statement guaranteeing postage payment on delivery.

1.3 Nonstandard Surcharge

Single-piece rate Standard Mail (A) (except keys and identification devices) is subject to a nonstandard surcharge if

it weighs 1 ounce or less and meets the definition of nonstandard mail in C600.

1.4 Preparation

Keys and identification devices must be prepared under 1.2. All other single-piece rate Standard Mail (A) pieces must have a delivery address and the endorsement "Standard Mail." No minimum quantity is required unless postage is paid with a permit imprint (in which case the mailing must contain 200 pieces or 50 pounds of pieces). There are no sortation standards, but five or more metered letter-size pieces and any permit imprint pieces must be "faced" (so that the addresses face in one direction) and bundled, boxed, or packaged.

1.5 Postage Payment and Documentation

Except for keys and identification devices, full postage must be affixed in adhesive stamps, precanceled stamps, or meter postage or paid with permit imprint. Documentation of postage and a postage statement are required if postage is paid with a permit imprint or if the correct postage is not affixed to each piece in the mailing.

1.6 Place of Mailing

Pieces paid with adhesive stamps may be deposited in collection boxes or other places where mail is accepted. Pieces paid with meter postage, precanceled stamps, or permit imprint must be taken to the post office where the license or permit is held, unless the USPS authorizes otherwise.

[Insert text of current E412 and redesignate as E622; revise as follows:]

E622 Parcel Post

1.0 Basic Standards

1.1 Description

Any Standard Mail (B) matter may be mailed at parcel post rates. Parcel post rates are based on zones, on whether a parcel is mailed and delivered within a BMC or ASF service area (as shown below), and on the weight of the piece.

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1.3 Enclosures

Parcel post may contain any printed matter mailable as Standard Mail (A), in addition to the enclosures and additions listed in E611.

[Remove current E412.1.4; insert text of current E412.2.0 through E412.4.0 and redesignate as E622.2.0 through E622.4.0, respectively; in 1.1 and 3.1, replace "fourth-class" with "Standard Mail (B)"; in 2.4, replace the reference "E450" with "E652"; no other change in text.]

[Insert text of current E414 and redesignate as E623; revise as follows:]

E623 Bound Printed Matter

1.0 Basic Standards

1.1 Description

Bound printed matter is Standard Mail weighing at least 1 pound but not more than 10 pounds and meeting the standards in E611 and E613. Bound printed matter rates are based on zones and on the weight of the piece.

1.2 Characteristics

Bound printed matter must:

a. Consist of advertising, promotional, directory, or editorial material (or any combination of such material).

b. Be securely bound by permanent fastenings such as staples, spiral binding, glue, or stitching. Looseleaf binders and similar fastenings are not considered permanent.

c. Consist of sheets of which at least 90% are imprinted by any process other than handwriting or typewriting with words, letters, characters, figures, or images (or any combination of them).

d. Not have the nature of personal correspondence.

e. Not be stationery, such as pads of blank printed forms.

1.3 Combining Pieces

A mailpiece containing two or more bound printed matter pieces, each weighing less than 1 pound, is mailable at the bound printed matter rates if the total weight of the pieces is at least 1 pound.

1.4 Enclosures

In addition to the additions and enclosures listed in E611 and E612, bound printed matter may contain:

a. Any printed matter mailable as Standard Mail (A).

b. A merchandise sample attached to a bound page or to a permissible loose enclosure, if the sample represents only an incidental portion of the bound printed matter piece and if the sample is not provided exclusively or primarily as a premium or an inducement promoting the sale of the bound printed matter piece. The sample may be identified as a "free gift" where it is clear that the sample is offered to the addressee to market the gift product or promote the sale of the bound printed matter.

[Remove current E414.1.5; redesignate current E414.2.0 as E633.]

[Insert text of current E416 and redesignate as E624; revise as follows:]

E624 Special Standard Mail

1.0 Basic Standards

1.1 Qualification

Special Standard Mail is Standard Mail matter meeting the standards in E611, E613, and those below. Special Standard Mail rates are based on the weight of the piece, without regard to zone.

1.2 Qualified Items

Only these articles may be mailed at the Special Standard Mail rates:

a. Books, including books issued to supplement other books of at least eight printed pages, consisting wholly of reading matter or scholarly bibliography, or reading matter with incidental blank spaces for notations and containing no advertising matter other than incidental announcements of books. Advertising includes paid advertising and the publisher's own advertising in display, classified, or editorial style.

b. 16-millimeter or narrower width films, which must be positive prints in final form for viewing, and catalogs of such films of 24 pages or more (at least 22 of which are printed). Films and film catalogs sent to or from commercial theaters do not qualify for the Special Standard Mail rate.

c. Printed music, whether in bound or sheet form.

d. Printed objective test materials and their accessories used by or in behalf of educational institutions to test ability, aptitude, achievement, interests, and other mental and personal qualities with or without answers, test scores, or identifying information recorded thereon in writing or by mark.

e. Sound recordings and guides or scripts prepared solely for use with such recordings. Video recordings and player piano rolls are classified as sound recordings.

f. Playscripts and manuscripts for books, periodicals, and music.

g. Printed educational reference charts designed to instruct or train individuals for improving or developing their capabilities. Each chart must be a single printed sheet of information designed for educational reference. The information on the chart, which may be printed on one or both sides of the sheet, must be conveyed primarily by graphs, diagrams, tables, or other nonnarrative matter. An educational reference chart is normally but not necessarily devoted to one subject. A chart on which the information is conveyed primarily by textual matter in a narrative form does not qualify as a printed educational reference chart for

mailing at the Special Standard Mail rates even if it includes graphs, diagrams, or tables. Examples of qualifying charts include maps produced primarily for educational reference, tables of mathematical or scientific equations, noun declensions or verb conjugations used in the study of languages, periodic table of elements, botanical or zoological tables, and other tables used in the study of science.

h. Looseleaf pages and their binders consisting of medical information for distribution to doctors, hospitals, medical schools, and medical students.

i. Computer-readable media containing prerecorded information and guides or scripts prepared solely for use with such media.

1.3 Loose Enclosures

In addition to the enclosures and additions listed in E611, any printed matter that is mailable as Standard Mail (A) may be included loose with any qualifying material mailed at the Special Standard Mail rates.

1.4 Enclosures in Books

Enclosures in books mailed at Special Standard Mail rates are subject to these additional standards:

a. Either one envelope or one addressed postcard may be bound into the pages of a book. If also serving as an order form, the envelope or card may be in addition to the order form permitted by 1.4b.

b. One order form may be bound into the pages of a book. If also serving as an envelope or postcard, the order form may be in addition to the envelope or card permitted by 1.4a.

c. Announcements of books may appear as book pages. These announcements must be incidental and exclusively devoted to books, without extraneous advertising of book-related or other materials or services. Announcements may fully describe the conditions and methods of ordering books and may contain ordering instructions for use with a separate order form. Up to three of these announcements may contain as part of their format a single order form, which may also serve as a postcard. The order forms permitted with these announcements are in addition to, and not in place of, order forms that may be enclosed under 1.4a or 1.4b.

[Remove current E416.1.5; redesignate E416.2.0 as E634.]

[Insert text of current E419 and redesignate as E625; revise as follows:]

E625 Library Mail**1.0 Basic Standards****1.1 Qualification**

Library Mail is Standard Mail matter that meets the standards in E611, E613, and those below. Library Mail rates are based on the weight of the piece, without regard to zone.

1.2 Qualified Sender, Recipient, Content

Each piece must show in the address or return address the name of a school, college, university, public library, museum, or herbarium or the name of a nonprofit religious, educational, scientific, philanthropic (charitable), agricultural, labor, veterans, or fraternal organization. For Library Mail standards, these nonprofit organizations are defined in E670. Only the articles described in 1.4 through 1.5 may be mailed at the Library Mail rate.

1.3 Preparation

When 1,000 or more pieces of identical weight are mailed at the Library Mail rates during a single day, the pieces must be prepared under M630.

1.4 Mailable Items Sent Between

The following items may be mailed at the Library Mail rate when sent between: (1) schools, colleges, universities, public libraries, museums, and herbariums and nonprofit religious, educational, scientific, philanthropic (charitable), agricultural, labor, veterans, and fraternal organizations or associations; (2) any such institution, organization, or association, and an individual who has no financial interest in the sale, promotion, or distribution of the materials; or (3) any such institution, organization, or association and a publisher, if such institution, organization, or association has placed an order to buy such materials for delivery to itself:

a. Books, consisting wholly of reading matter, scholarly bibliography, or reading matter with incidental blank spaces for notations and containing no advertising except for incidental announcements of books.

b. Printed music, whether in bound or sheet form.

c. Bound volumes of academic theses, whether in typewritten or duplicated form.

d. Periodicals, whether bound or unbound.

e. Sound recordings.

f. Other library materials in printed, duplicated, or photographic form or in the form of unpublished manuscripts.

g. Museum materials, specimens, collections, teaching aids, printed matter, and interpretive materials for informing and furthering the educational work and interests of museums and herbariums.

1.5 Mailable Items Sent "To" or "From"

The following specific items may be mailed at the Library Mail rate when sent to or from schools, colleges, universities, public libraries, museums, and herbariums and to or from nonprofit religious, educational, scientific, philanthropic (charitable), agricultural, labor, veterans, or fraternal organizations:

a. 16-millimeter or narrower width films, filmstrips, transparencies, slides, and microfilms. All must be positive prints in final form for viewing.

b. Sound recordings.

c. Museum materials, specimens, collections, teaching aids, printed matter, and interpretive materials intended for informing and furthering the educational work and interests of museums and herbariums.

d. Scientific or mathematical kits, instruments, or other devices.

e. Catalogs of the materials in 1.5a through 1.5d and guides or scripts prepared solely for use with such materials.

1.6 Enclosures in Books and Sound Recordings

Books and sound recordings mailed at the Library Mail rate may contain these enclosures as well as the additions and enclosures permitted under E611:

a. Either one envelope or one addressed postcard. If also serving as an order form, the envelope or card may be in addition to the order form permitted by 1.6b.

b. One order form. If also serving as an envelope or postcard, the order form may be in addition to the envelope or card permitted by 1.6a.

c. With books, announcements of books appearing in book pages or as loose enclosures. These announcements must be incidental and exclusively devoted to books, without extraneous advertising of book-related materials or services. Announcements may fully describe the conditions and methods of ordering books (such as by membership in book clubs) and may contain ordering instructions for use with the single order form permitted in 1.6b.

d. With sound recordings, announcements of sound recordings appearing on title labels, on protective sleeves, on the carton or wrapper, or on loose enclosures. These announcements of sound recordings must be incidental

and exclusively devoted to sound recordings. They may not contain extraneous advertising of recording-related materials or services. Announcements may fully describe the conditions and methods of ordering sound recordings (such as by membership in sound recording clubs) and may contain ordering instructions for use with the single order form permitted in 1.6b.

1.7 Other Material

Material mailed at the Library Mail rate other than books and sound recordings may contain only those additions and enclosures permitted under E611.

[Remove text of current E419.1.8.]

E630 Nonautomation Presort Standard Mail Rates

[Insert text of current of E331 and E332 and redesignate as E631; revise as follows:]

E631 Nonautomation Regular Standard Mail**1.0 Basic Standards**

All pieces in a nonautomation Regular Standard Mail mailing must meet the basic standards for Standard Mail in E611 and E612 and must be part of a single mailing of at least 200 pieces or 50 pounds of pieces of nonautomation rate Regular Standard Mail.

2.0 Basic and 3/5 Rates

Nonautomation Regular Standard Mail rates (Basic and 3/5) apply to Regular Standard Mail letters, flats, and machinable and irregular parcels, weighing less than 16 ounces, that are prepared under M610 or palletized under M045. Basic rates apply to pieces that do not meet the standards for the 3/5 rates described below. Basic rate and 3/5 rate pieces prepared as part of the same mailing are subject to a single minimum volume standard. Pieces that do not qualify for the 3/5 rate must be paid at the basic rate and prepared accordingly. Pieces may qualify for the 3/5 rate if:

a. In quantities of 150 or more letter-size pieces for a single 3-digit area, prepared in 5-digit or 3-digit packages of 10 or more pieces each and placed in 5-digit or 3-digit trays.

b. In quantities of 150 or more upgradable letter-size pieces (as defined in M610) for a single 3-digit area and placed in 5-digit or 3-digit trays.

c. In a 5-digit or 3-digit package of 10 or more flat-size pieces and placed in a 5-digit or 3-digit sack containing at least 125 pieces or 15 pounds of pieces.

d. In a 5-digit or 3-digit package of 10 or more flat-size pieces palletized under M045.

e. In a 5-digit, destination ASF (if required), or destination BMC sack containing at least 10 pounds of machinable parcels. (The 3/5 rates are available only if all possible 5-digit sacks are prepared.)

f. On a 5-digit, destination ASF (if required), or destination BMC pallet of machinable parcels. (The 3/5 rates are available only if all possible 5-digit pallets are prepared.)

g. In a 5-digit or 3-digit sack of irregular parcels containing at least 125 pieces or 15 pounds of pieces.

3.0 ZIP Code Accuracy

Effective October 1, 1996, 5-digit ZIP Codes included in addresses appearing on pieces claimed at nonautomation Regular rates must be verified and corrected within 12 months before the mailing date, using a USPS-approved method. Mailers must certify that this standard has been met when the corresponding mail is presented to the USPS. This standard applies to each address individually, not to a specific list or mailing. An address meeting this standard may be used in mailings at any other rates to which the standard applies throughout the 12-month period following its most recent update.

[Remove text of current E333 and E334 and replace with new E632 as follows:]

E632 Enhanced Carrier Route Standard Mail

1.0 Basic Standards

1.1 All Pieces

All pieces in an Enhanced Carrier Route Standard Mail mailing (letters, flats, or irregular parcels, including merchandise samples distributed with detached address labels) must:

- Meet the basic standards for Standard Mail in E611 and E612.
- Be part of a single mailing of at least 200 pieces or 50 pounds of pieces of Enhanced Carrier Route Standard Mail, except that automation Basic Carrier Route rate pieces are subject to a separate 200-piece/50-pound minimum volume standard and may not be included in the same mailing as other Enhanced Carrier Route mail.
- Be sorted to carrier routes, marked, and documented under M045 (if palletized) or M620.

1.2 Flats and Merchandise Samples

Enhanced Carrier Route rate flats may not be more than 11¾ inches wide, 14 inches long, or ¾ inch thick. Merchandise samples with detached address labels may exceed these

dimensions if the labels meet the standards in A060.

1.3 Preparation

Preparation to qualify for any of the Enhanced Carrier Route rates is optional and need not be performed for all carrier routes in a 5-digit area. An Enhanced Carrier Route mailing may include pieces at Basic, High Density, and Saturation Enhanced Carrier Route rates. Automation Basic Carrier Route rate pieces must be prepared as a separate mailing, subject to the eligibility standards in E641.

1.4 Carrier Route Information

Subject to A930 and A950, mailers must apply carrier route codes to mailings using CASS-certified software and the current USPS Carrier Route Information System (CRIS) scheme or another AIS product containing carrier route information. The carrier route information must be updated within 90 days before the mailing date. Carrier route and City/State File information must be updated within 90 days before the mailing date.

1.5 Sequencing

Basic Carrier Route rate mail must be prepared either in carrier walk sequence or in line-of-travel (LOT) sequence according to LOT schemes prescribed by the USPS (see M050). High Density and Saturation rate mailings must be prepared in carrier walk sequence according to schemes prescribed by the USPS.

1.6 Addressing—High Density and Saturation Mail

High Density and Saturation rate mail may be prepared with detached address labels, subject to A060, or with an alternative addressing format, subject to A040. High Density pieces must have a complete delivery address or an address in occupant or exceptional format. Saturation pieces addressed for delivery on a city route must have a complete delivery address or an address in occupant or exceptional format, except that official mail from certain government entities may also use the simplified format. Saturation pieces for delivery on rural or highway contract routes, or through general delivery or a post office box, must have a complete delivery address or an alternative address format.

1.7 Density—High Density and Saturation Mail

High Density and Saturation rate mailings are subject to these density standards:

a. There is no minimum volume per 5-digit ZIP Code delivery area. Pieces need not be sent to all carrier routes within a 5-digit delivery area.

b. For the High Density rate, at least 125 pieces must be prepared for each carrier route for which that discount is claimed, except that fewer pieces may be prepared and the High Density rate may be claimed for carrier routes of 124 or fewer possible deliveries if a piece is addressed to every possible delivery on the route. Multiple pieces per delivery address can count toward this density standard.

c. For the Saturation rate, pieces must be addressed either to 90% or more of the active residential addresses or to 75% or more of the total number of active possible delivery addresses, whichever is less, on each carrier route receiving this mail, except that mail addressed in the simplified address format must meet the 100% coverage standard in A040. Multiple pieces per delivery address do not count toward this delivery standard. Sacks with fewer than 125 pieces and less than 15 pounds of pieces may be prepared to a carrier route when the Saturation rate is claimed for the contents and the applicable density standard is met.

2.0 Rate Application

2.1 Automation Basic

Automation Basic Carrier Route rates apply to each piece that is sorted under M810 into full carrier route trays, or in carrier route groups of 10 or more pieces each placed in 5-digit carrier routes trays. (Preparation to qualify for that rate is optional and need not be performed for all carrier routes in a 5-digit area.)

2.2 Basic

Basic (nonautomation) Carrier Route rates apply to each piece that is sorted under M620 into the corresponding qualifying groups:

a. Letter-size pieces in a full carrier route tray, or in a carrier route package of 10 or more pieces placed in a 5-digit carrier routes tray.

b. Flat-size pieces in a carrier route package of 10 or more pieces palletized under M045, or placed in a carrier route sack containing at least 125 pieces or 15 pounds of pieces or in a 5-digit carrier routes sack.

c. Irregular parcels in a carrier route sack containing 125 pieces or 15 pounds of pieces, in a carrier route carton(s) of merchandise samples prepared with detached address labels under A060 containing a total of 125 pieces or 15 pounds of pieces, or in a 5-digit carrier routes sack or carton. (Pieces must be in

packages of 10 or more irregular parcels each if packaging is required under M610.)

2.3 High Density and Saturation

High Density and Saturation rates apply to pieces qualified for the Basic rates that also meet the applicable addressing and density standards in 1.6 and 1.7.

[Insert text of current E414.2.0 and redesignate as E633; revise as follows:]

E633 Bulk Bound Printed Matter

1.0 Basic Information

1.1 Preparation

Bulk bound printed matter must meet the basic standards in E623 and the applicable preparation standards in M630. Mailings may contain nonidentical-weight pieces only if the correct postage is affixed to each piece or if the RCSC serving the office of mailing has authorized payment of postage by permit imprint. Each mailing must contain 300 or more pieces of bound printed matter. Insurance, special delivery, special handling, and COD services may be used, but selective use of these services for individual parcels must be approved by the RCSC.

1.2 Additional Standards for Carrier Route

Carrier route bulk bound printed matter is subject to these additional standards:

a. Each mailing must contain 300 or more pieces sorted under M630 into groups of at least 10 pieces, 20 pounds, or 1,000 cubic inches each for the same carrier route, rural route, highway contract route, post office box section, or general delivery unit.

b. Residual pieces (not sorted as described in 1.2a) do not count toward the minimum specified in 1.2a, are ineligible for the carrier route presort level rate, and must have postage paid at the appropriate bulk bound printed matter rate. Residual pieces may be included in a carrier route presort rate mailing and be endorsed "Carrier Route Presort" or "CAR-RT SORT." The number of residual pieces to any single 5-digit ZIP Code area may not exceed 5% of the total qualifying carrier route pieces addressed to that 5-digit area. Residual pieces must be separated from the pieces that qualify for the carrier route rate and must be prepared under M630.

c. Subject to A930, mailers must apply carrier route codes to mailings using CASS-certified software and the current USPS Carrier Route Information System (CRIS) scheme or another AIS product containing carrier route

information. The carrier route information must be updated within 90 days before the mailing date.

[Insert text of current E416.2.0 and redesignate as E634; revise as follows:]

E634 Presorted Special Standard Mail

1.0 Basic Information

The Presorted Special Standard Mail rates apply to Special Standard Mail rate matter mailed in minimum quantities at a place and time designated by the postmaster, subject to the preparation standards in M630. The size and content of each piece in the mailing does not need to be identical. Nonidentical pieces may be merged, sorted together, and presented as a single mailing either with postage paid with a permit imprint if authorized by the RCSC serving the post office of mailing, or with the correct postage affixed to each piece in the mailing.

2.0 Presort Rates

2.1 Mailing Fee

A mailing fee must be paid once each 12-month period at each office of mailing by or for any person who mails at the Presorted Special Standard Mail rates. The fee may be paid in advance only for the next year and only during the last 30 days of the current service period. The fee charged is that in effect on the date of payment.

2.2 One Presort Level

A Presorted Special Standard Mail rate mailing receives only one level of presort rate. The mailer may, however, prepare two or more mailings with separate postage statements to use both levels of presort rates. Pieces that do not qualify for a presort rate must be presented for mailing under a separate postage statement if postage is paid with a permit imprint.

2.3 Definitions

For this standard:

a. *Full sack* means either at least eight pieces or a quantity of pieces equaling at least 1,000 cubic inches of volume or weighing from 20 to 70 pounds.

b. *Substantially full sack* means either at least four pieces or a quantity of pieces equaling at least 1,000 cubic inches of volume or weighing from 20 to 70 pounds.

2.4 5-Digit Rate

To qualify for the Presorted Special Standard Mail 5-digit rate, a piece must be in a mailing of at least 500 pieces receiving identical service, properly prepared and sorted either under M630 to full 5-digit sacks or under M045 to 5-

digit pallets. These conditions also apply:

a. Mailings of at least 500 nonmachinable outside parcels may qualify for the Presorted Special Standard Mail 5-digit rate if prepared to preserve sortation by 5-digit ZIP Code as prescribed by the mailing office postmaster. The postmaster may require up to a 24-hour notice before the mailing is presented.

b. Mailings prepared as palletized bundles must consist of 5-digit bundles each containing at least eight pieces, or a quantity of pieces equaling 1,000 cubic inches of volume or weighing 20 pounds. No bundle may exceed 40 pounds. If there is more than 20 pounds of mail to a 5-digit destination, mailers must prepare the minimum number of bundles that do not exceed 40 pounds each.

2.5 BMC Rate

To qualify for the Presorted Special Standard Mail BMC rate, a piece must be in a mailing of at least 500 sacked pieces receiving identical service, properly prepared and sorted either under M630 to full or substantially full bulk mail center (BMC) sacks or under M045 to BMC pallets. Mailings of at least 500 nonmachinable outside parcels may qualify for the Presorted Special Standard Mail BMC rate if prepared to preserve sortation by BMC as prescribed by the mailing office postmaster. The postmaster may require up to a 24-hour notice before the mailing is presented.

E639 Nonprofit Standard Mail

[Insert text of current E331 and E332 and redesignate, renumber, and revise as E639.1.0; insert text of current E333 and redesignate, renumber, and revise as E639.2.0; insert text of current E334 and redesignate, renumber, and revise as E639.3.0.]

1.0 Basic and 3/5 Rates

1.1 Qualifying Pieces

Nonprofit Basic and 3/5 rates apply to Nonprofit Standard Mail letters, flats, and machinable and irregular parcels, weighing less than 16 ounces, that meet the basic standards in E611 and E612 and are prepared under M692. Basic rates apply to pieces that do not meet the standards for the 3/5 rates described below. Basic rate and 3/5 rate pieces may be prepared as part of the same mailing, subject to a single minimum volume standard. Pieces not sorted to qualify for the 3/5 rate must be paid at the basic rate and prepared accordingly. Pieces may qualify for the 3/5 rate if prepared:

a. In 5-digit or 3-digit packages of 10 or more pieces each, placed in 5-digit or

3-digit sacks that contain at least 125 pieces or 15 pounds of pieces.

b. In 5-digit or 3-digit packages of 10 or more pieces each, placed in 5-digit or 3-digit trays.

c. In full or overflow 5-digit, 3-digit, or SCF trays, prepared under the standards for ZIP+4 tray-based mailings in M891.

d. In 5-digit packages of 10 or more pieces each, or 3-digit packages of 50 or more pieces each, prepared under the standards for ZIP+4 package-based mailings in M892.

e. In 5-digit, 3-digit, or SCF trays, prepared under the standards for letter-size Barcoded tray-based mailings in M893.

f. In 5-digit packages of 10 or more pieces each, or 3-digit packages of 50 or more pieces each, prepared under the standards for letter-size Barcoded package-based mailings in M894 and M895.

g. In 5-digit or 3-digit packages of 10 or more pieces each, prepared under the standards for flat-size 3/5 ZIP+4 Barcoded rate mailings in M897.

h. In 5-digit or 3-digit packages of 10 or more pieces each, palletized under M045.

i. In 5-digit, destination ASF (if required), or destination BMC sacks containing at least 10 pounds of machinable parcels. (The 3/5 rates are available *only if all possible 5-digit sacks are prepared.*)

j. On 5-digit or destination BMC pallets of machinable parcels. (The 3/5 rates are available *only if all possible 5-digit pallets are prepared.*)

k. In 5-digit or 3-digit sacks of irregular parcels.

1.2 Optional Preparation

At the mailer's option, nonautomation Nonprofit Standard Mail may be prepared under the standards for nonautomation Regular Standard Mail in M610, including presort. Under this option, nonautomation Nonprofit Standard Mail may claim nonautomation Nonprofit Basic or 3/5 rates if *all* corresponding eligibility standards in E631 for nonautomation Regular Basic and 3/5 rates are met.

1.3 Carrier Route Pieces

A 3/5 rate mailing may not include pieces claimed at the carrier route or walk-sequence rates. The 3/5 rate pieces and carrier route or walk-sequence rate pieces may be reported on the same postage statement only under D600.

2.0 Carrier Route Rates

2.1 General

All pieces in a carrier route rate mailing must be presented at one post

office as part of a single mailing of at least 200 pieces or 50 pounds of pieces prepared under M693 to carrier routes. Pieces may not be more than 11 $\frac{3}{4}$ inches wide, 14 inches long, or $\frac{3}{4}$ inch thick. Merchandise samples with detached address labels may exceed these dimensions if the labels meet the standards in A060.

2.2 Optional Preparation

At the mailer's option, carrier route Nonprofit Standard Mail may be prepared under the standards for Basic, High Density, or Saturation rate Enhanced Carrier Route Standard Mail in M620, including presort. Under this option, Nonprofit Standard Mail may claim Nonprofit carrier route rates if *all* corresponding eligibility standards in E632 are met for the Basic, High Density, or Saturation Enhanced Carrier Route rate. Automation Basic Carrier Route rates may not be claimed under this option.

2.3 Other Rates

A carrier route rate mailing may include pieces claimed at the basic rate if the entire mailing meets the standard in 3.1. The basic rate pieces must be prepared under M692, but they do not have to meet a separate 200-piece/50-pound minimum. A carrier route rate mailing may *not* include pieces claimed at the 3/5 rates. The 3/5 rate and carrier route rate pieces may be reported on the same postage statement only under D600.

2.4 Required Listing

At the time of mailing, the mailer must give the post office a list of the number of qualifying pieces to each 5-digit ZIP Code area. After the first mailing, the postmaster may authorize the mailer to keep the records and submit them on request. The mailer must keep these records for 90 days after the mailing date, or until any action pending on the recalculation of postage is resolved to USPS satisfaction.

2.5 Carrier Route Information

Mailers must apply carrier route codes to mailings by using the current USPS Carrier Route Information System (CRIS) scheme or another AIS product containing carrier route information (see A930). Carrier route information must be updated within 90 days before the mailing date.

2.6 Qualifying Presort

Each qualifying piece must be prepared under M693 as part of a group of 10 or more pieces in the same carrier route package that, in turn, is placed in a carrier route, 5-digit carrier routes, or

3-digit carrier routes tray or sack. To carrier route and 5-digit carrier routes destinations, trays must be full and sacks must contain at least 125 pieces or 15 pounds of pieces. Qualifying mail also includes:

a. Carrier route packages in a 5-digit carrier routes tray that is less than full, or in a 5-digit carrier routes sack that contains fewer than 125 pieces and less than 15 pounds of pieces *if* that 5-digit area does not have enough residential deliveries to meet the applicable full tray or 125-piece/15-pound sack minimum at a 90% saturation level.

b. The last tray or sack to a 3-digit ZIP Code destination. The last tray may be less than full and the last sack may contain fewer than 125 pieces and less than 15 pounds of pieces.

c. Carrier route packages palletized under M045.

2.7 Residual

Residual pieces are those not sorted under M693 to qualify for carrier route rates. These pieces may be included in a carrier route rate mailing and may be marked "Carrier Route Presort," subject to these conditions:

a. Residual pieces do not count toward the minimum quantity for carrier route rates.

b. The number of residual pieces to any single 5-digit ZIP Code area may not exceed 5% of the total qualifying carrier route pieces addressed to that 5-digit ZIP Code area.

c. Residual pieces are not eligible for the carrier route rate and must have postage paid at the basic rate and must be prepared as specified in M693.

3.0 Walk-Sequence Rates

3.1 General

All pieces in a walk-sequence rate mailing must be presented at one post office as part of a single mailing of at least 200 pieces or 50 pounds of pieces sorted to carrier routes. Subject to compliance with these standards, the saturation walk-sequence rate may be claimed by pieces in both the "letters" and "other-than-letters" categories. The 125-piece walk-sequence rate may be claimed only by pieces in the "other-than-letters" category, as defined in E612.

3.2 Optional Preparation

At the mailer's option, carrier route Nonprofit Standard Mail may be prepared under the standards for Enhanced Carrier Route Standard Mail in M620, including presort. Under this option, Nonprofit Standard Mail may claim Nonprofit 125-piece walk-sequence or saturation walk-sequence

rates if *all* corresponding eligibility standards in E632 for Enhanced Carrier Route High Density or Saturation rates are met.

3.3 Other Rates

A walk-sequence rate mailing may include pieces claimed at the carrier route and basic rates, but only the carrier route pieces count toward the standard in 3.1. The basic rate pieces must be prepared as required for residual pieces under 1.0, but they do not have to meet a separate 200-piece/50-pound minimum. When presented to the USPS, the trays or sacks containing the walk-sequence rate pieces must be separated from other trays or sacks. Any effective separation method may be used. A walk-sequence rate mailing may *not* include pieces claimed at the 3/5 rate. The 3/5 rate and walk-sequence rate pieces may be reported on the same postage statement only under D600.

3.4 Addressing

Walk-sequence rate mail must meet these addressing standards:

- a. Mailings may be prepared with detached address labels, subject to A060.
- b. Pieces prepared with an alternative addressing format must meet the applicable standards in A040.
- c. For the 125-piece walk-sequence discount, each piece must have a complete delivery address or an address in occupant or exceptional format.
- d. For the saturation walk-sequence discount, each piece addressed for delivery on a city route must have a complete delivery address or an address in occupant or exceptional format, *except* that official mail from certain government entities may also use the simplified format. Pieces for delivery on rural or highway contract routes, or through general delivery or a post office box, must have a complete delivery address or an alternative address format.

3.5 Density Standards

Walk-sequence rate mailings are subject to these density standards:

- a. There is no minimum volume per 5-digit ZIP Code delivery area. Walk-sequence mail need not be sent to all carrier routes within a 5-digit delivery area.
- b. For the 125-piece walk-sequence discount, at least 125 walk-sequenced pieces must be prepared for each carrier route for which that discount is claimed, *except* that for carrier routes of 124 or fewer possible deliveries, the 125-piece walk-sequence discount may be claimed if a piece is addressed to every possible delivery on the route.

Multiple pieces per delivery address can count toward this density standard.

c. For the saturation walk-sequence discount, pieces must be addressed either to 90% or more of the active residential addresses or 75% or more of the total number of active possible delivery addresses, whichever is less, on each carrier route receiving this mail, *except* that mail addressed in the simplified address format must meet the coverage standard in A040. Multiple pieces per delivery address do *not* count toward this density standard.

d. Sacks with fewer than 125 pieces and less than 15 pounds of pieces may be prepared to a carrier route when a walk-sequence discount is claimed for the contents and the applicable density standard in 3.5b or 3.5c is met.

E640 Automation Standard Mail Rates

[Insert text of current E342, E344, and E345 and redesignate as E641; revise as follows:]

E641 Automation Regular and Enhanced Carrier Route Standard Mail

1.0 Automation Regular Rates

1.1 All Pieces

All pieces in an automation rate Regular Standard Mail mailing must:

- a. Meet the basic standards for Standard Mail in E611 and E612.
- b. Be part of a single mailing of at least 200 pieces or 50 pounds of pieces of automation rate Regular Standard Mail.
- c. Meet the physical standards in C810 (letters and cards) or C820 (flats).
- d. Bear a delivery address that includes the correct ZIP Code, ZIP+4 code, or numeric equivalent to the delivery point barcode (DPBC).
- e. Meet the address quality and coding standards in 1.2 (if applicable), A800, and A950.
- f. Be marked, sorted, and documented as specified in M810 (letters and cards) or M820 (flats).
- g. Bear an accurate barcode, either a DPBC if a card or letter (on the piece or on an insert showing through a barcode window) or a ZIP+4 barcode or DPBC if a flat, that meets the barcode standards in C840. A letter-size mailpiece with a barcode window in the lower right corner must have the correct DPBC appearing through that window.

1.2 Enclosed Reply Cards and Envelopes

Effective January 1, 1997, all courtesy reply and business reply mail (BRM) cards and letter-size envelopes provided as enclosures in automation rate Regular Standard Mail must meet the standards

in C810 for enclosed cards and envelopes. Mailers must certify that this standard has been met when the corresponding mail is presented to the USPS.

1.3 Rate Application—Letters and Cards

Regular automation rates apply to each piece that is sorted under M810 into the corresponding qualifying groups:

a. Groups of 150 or more pieces in 5-digit trays (and all pieces in one less-than-full overflow tray) qualify for the 5-Digit automation rate. (Preparation to qualify for that rate is optional and need not be performed for all 5-digit destinations.)

b. Groups of 150 or more pieces in 3-digit or 3-digit scheme trays (and all pieces in one less-than-full overflow tray) qualify for the 3-Digit automation rate.

c. Pieces in full or overflow AADC trays and in all mixed AADC trays qualify for the Basic automation rate.

1.4 Rate Application—Flats

Regular automation rates apply to each piece that is sorted under M820 into the corresponding qualifying groups:

a. Pieces in 5-digit or 3-digit packages of 10 or more pieces each qualify for the 3/5 automation rate.

b. Pieces in ADC or mixed ADC packages qualify for the Basic automation rate.

2.0 Enhanced Carrier Route Rates

2.1 All Pieces

All pieces in an automation rate Enhanced Carrier Route Standard Mail mailing (available for letters only) must:

- a. Meet the basic standards for Standard Mail in E611 and E612.
- b. Be part of a single mailing of at least 200 pieces or 50 pounds of pieces of automation rate Enhanced Carrier Route Standard Mail.
- c. Be sorted to carrier routes, marked, and documented under M045 (if palletized) or M810.
- d. Bear a delivery address that includes the correct ZIP Code, ZIP+4 code, or numeric equivalent to the delivery point barcode (DPBC).
- e. Meet the address quality and coding standards in 1.5, A800, and A950.
- f. Bear an accurate DPBC that meets the barcode standards in C840. A letter-size mailpiece with a barcode window in the lower right corner must have the correct DPBC appearing through that window.

2.2 Preparation

Preparation to qualify for any of Enhanced Carrier Route automation rates is optional and need not be performed for all carrier routes in a 5-digit area. An automation rate Enhanced Carrier Route mailing may not include pieces at Basic, High Density, and Saturation Enhanced Carrier Route rates.

2.3 Carrier Route Information

Subject to A930 and A950, mailers must apply carrier route codes to mailings using CASS-certified software and the current USPS Carrier Route Information System (CRIS) scheme or another AIS product containing carrier route information. The carrier route information must be updated within 90 days before the mailing date. Carrier route and City/State File information must be updated within 90 days before the mailing date. *The automation Basic Carrier Route rate is available only for letter-size mail and only for those 5-digit ZIP Code areas identified in the USPS City/State File used for address coding.*

2.4 Rate Application

Automation Basic Carrier Route rates apply to each piece that is sorted under M810 into full carrier route trays, or in carrier route groups of 10 or more pieces each placed in 5-digit carrier routes trays. (Preparation to qualify for that rate is optional and need not be performed for all carrier routes in a 5-digit area.)

E649 Automation Nonprofit Standard Mail

[Insert text of current eligibility standards in E342, E344, and E345 and redesignate and renumber as E649.1.0, E649.2.0, and E649.3.0, respectively.]

1.0 ZIP+4 Discounts

1.1 All Pieces

All pieces in a Nonprofit Standard Mail ZIP+4 rate mailing must:

- Meet the basic standards for Standard Mail in E611 and E612.
- Be presented at one post office as part of a single mailing of at least 200 pieces or 50 pounds of pieces of automation rate Nonprofit Standard Mail.
- Meet the physical standards in C810.
- Bear a delivery address with the correct ZIP Code or ZIP+4 code (or, if only prepared with a delivery point barcode (DPBC), the numeric equivalent to the DPBC).
- Meet the address quality and coding standards of A800 and A950.

- Meet the standards in C830 or, for pieces with the correct DPBC, the barcode standards in C840.
- Be marked, sorted, and documented as specified in M891 or M892.
- Separately qualify under the standard for any other discount claimed.

1.2 Rate Application

Nonprofit ZIP+4 rates apply to each piece that also:

- Is sorted under M891 or M892 into the corresponding qualifying groups described in 1.7 and 1.8.
- Bears a delivery address with the correct numeric ZIP+4 code or bears the correct DPBC.
- Meets the applicable standards in 1.3 through 1.6.

1.3 Barcode Window

A mailpiece meeting the standards in 1.1 and 1.2, but with a barcode window in the lower right corner, may be eligible for any Nonprofit automation rate only if the correct DPBC appears through that window.

1.4 5-Digit Barcodes

Nonprofit ZIP+4 rate mailings may include pieces with correct 5-digit barcodes if those pieces meet the standards in 1.1 and 1.2 and the standards for 5-digit barcodes in C840. Such pieces may qualify for the Nonprofit ZIP+4 rates only if the barcode is printed on the piece and the address contains the correct numeric ZIP+4 code.

1.5 ZIP+4 Barcodes

Nonprofit ZIP+4 rate mailings may include pieces with correct ZIP+4 barcodes if the barcode is located in the address block and those pieces meet the standards in 1.1 and 1.2 and the standards for ZIP+4 barcodes in C840. Such pieces may qualify for Nonprofit ZIP+4 rates only if, additionally, each has a barcode clear zone (without a window) in the lower right corner and bears an address that contains the correct numeric ZIP+4 code. Pieces that bear a ZIP+4 barcode in the lower right corner may not be included in a Nonprofit ZIP+4 rate mailing.

1.6 85% Rule

At least 85% of all pieces in a Nonprofit ZIP+4 rate mailing (regardless of presort level or rate) must bear the correct numeric ZIP+4 code or DPBC for the delivery address, as defined by the address quality and coding standards in A800 and A950. The 85% requirement applies to each mailing unless excepted by other standards.

1.7 Qualifying Tray-Based Presort

In tray-based mailings under M891, ZIP+4 coded or DPBC pieces in full or overflow 5-digit, 3-digit, and SCF trays qualify for the Nonprofit 3/5 ZIP+4 rate; other pieces qualify for the Nonprofit 3/5 rate. One less-than-full SCF tray for the origin SCF is permitted. ZIP+4 coded or DPBC pieces in AADC, mixed AADC, or working trays qualify for the Nonprofit Basic ZIP+4 rate; other pieces qualify for the Nonprofit Basic rate.

1.8 Qualifying Package-Based Presort

In package-based mailings under M892, ZIP+4 coded or DPBC pieces in 5-digit packages of 10 or more pieces each, and 3-digit packages of 50 or more pieces each, qualify for the Nonprofit 3/5 ZIP+4 rate; other pieces in these packages qualify for the Nonprofit 3/5 rate. Residual ZIP+4 coded or DPBC pieces qualify for the Nonprofit Basic ZIP+4 rate; other pieces qualify for the Nonprofit Basic rate.

2.0 Barcoded Discounts (Letter-Size Pieces)

2.1 All Pieces

All pieces in a Nonprofit Standard Mail Barcoded rate letter-size mailing must:

- Meet the basic standards for Standard Mail in E611 and E612.
- Be presented at one post office as part of a single mailing of at least 200 pieces or 50 pounds of pieces.
- Meet the physical standards in C810.
- Bear a delivery address that includes the correct ZIP Code or ZIP+4 code (or, only if prepared with a delivery point barcode (DPBC), the numeric equivalent to the DPBC).
- Meet the address quality and coding standards of A800 and A950.
- Either bear the correct DPBC meeting the barcode standards in C840 or meet the applicable standards in 2.5.
- Be marked, sorted, and documented as specified in M893, M894, or M895.
- Meet the postage payment standards in P013 and P600.
- Separately qualify under the standard for any other discount claimed.

2.2 Rate Application

Nonprofit Barcoded rates apply to each piece that also:

- Is sorted under M893, M894, or M895 into the corresponding qualifying groups described in 2.8, 2.9, and 2.10.
- Bears the correct DPBC that meets the barcode standards in C840.
- Meets the applicable standards in 2.3 through 2.7.

2.3 Optional Preparation

At the mailer's option, barcoded Nonprofit Standard Mail may be prepared under the standards for Automation Standard Mail in M810, including presort. Under this option, barcoded Nonprofit Standard Mail may claim Nonprofit carrier route, 5-Digit Barcoded, 3-Digit Barcoded, and Basic Barcoded rates if *all* corresponding eligibility standards in E631 and E641 for Automation Carrier Route, 5-Digit, 3-Digit, and Basic rates are met.

2.4 Barcode Window

A mailpiece with a barcode window in the lower right corner is ineligible for any Nonprofit automation rate unless the correct DPBC appears through that window.

2.5 Pieces Without DPBCs

Subject to 2.6 and 2.7, Nonprofit Barcoded rate mailings may include nonbarcoded, 5-digit barcoded, or ZIP+4 barcoded pieces if each such piece (regardless of rate) meets the standards in 2.1, has a barcode clear zone in the lower right corner meeting the reflectance standards in C840, meets the applicable 5-digit or ZIP+4 barcode standards in C840. Additionally, to qualify for a Nonprofit ZIP+4 rate, subject to 2.8, 2.9, and 2.10:

a. Nonbarcoded and 5-digit barcoded pieces must bear an address with the correct ZIP+4 code and meet the standards in C830, and must not have a window in the lower right corner.

b. ZIP+4 barcoded pieces must have the barcode in the address block, meet the standards in C830, and bear an address with the correct ZIP+4 code, and must not have a window in the lower right corner.

2.6 85% Rule

Subject to 2.7, at least 85% of all pieces in a Nonprofit Barcoded rate mailing (regardless of presort level or rate) must bear the correct DPBC for the delivery address, as defined by the standards for address quality and coding accuracy in A800 and A950. The 85% requirement applies to each mailing unless excepted by other standards.

2.7 100% Barcoding

Each piece must bear the correct delivery point barcode:

a. In 5-digit trays in a tray-based mailing under M893.

b. In 5-digit packages in a package-based mailing under M894 or M895.

c. In any mailing containing heavy letters (as defined in C810).

2.8 Qualifying Tray-Based Presort

In tray-based mailings under M893:

a. Pieces in full or overflow 5-digit trays qualify for the 5-digit Nonprofit Barcoded rate.

b. In full or overflow 3-digit and SCF trays, DPBC pieces qualify for the 3-digit Nonprofit Barcoded rate; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Nonprofit $\frac{3}{5}$ ZIP+4 rate; other pieces qualify for the Nonprofit $\frac{3}{5}$ rate. One less-than-full SCF tray is permitted for the SCF serving the post office where the mailing is entered.

c. In AADC, mixed AADC, and working trays, DPBC pieces qualify for the Nonprofit Basic Barcoded rate; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Nonprofit Basic ZIP+4 rate; other pieces qualify for the Nonprofit Basic rates.

2.9 Qualifying Two-Tier Package-Based Presort

In two-tier package-based mailings under M894:

a. Pieces in 5-digit packages of 10 or more pieces each qualify for the Nonprofit 5-digit Barcoded rate.

b. In 3-digit packages of 50 or more pieces each, DPBC pieces qualify for the Nonprofit 3-digit Barcoded rates; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Nonprofit $\frac{3}{5}$ ZIP+4 rate; other pieces qualify for the Nonprofit $\frac{3}{5}$ rate.

c. In the residual portion, DPBC pieces qualify for the Nonprofit Basic Barcoded rate; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Nonprofit Basic ZIP+4 rate; other pieces qualify for Nonprofit Basic rate.

2.10 Qualifying Three-Tier Package-Based Presort

In three-tier package-based mailings under M895:

a. Pieces in 5-digit packages of 10 or more pieces each in the 5-digit tier qualify for the Nonprofit 5-digit Barcoded rate.

b. In 3-digit packages of 50 or more pieces each in the 3-digit tier, DPBC pieces qualify for the Nonprofit 3-digit Barcoded rate; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Nonprofit $\frac{3}{5}$ ZIP+4 rate; other pieces qualify for the Nonprofit $\frac{3}{5}$ rate.

c. In the residual tier, DPBC pieces qualify for the Nonprofit Basic Barcoded rate; subject to 2.5, ZIP+4 coded non-DPBC pieces qualify for the Nonprofit Basic ZIP+4 rate; other pieces qualify for the Nonprofit Basic rate.

3.0 ZIP+4 Barcoded Discounts (Flat-Size Pieces)

3.1 All Pieces

All pieces in a Nonprofit Standard Mail ZIP+4 Barcoded rate flat-size mailing must:

a. Meet the basic standards for Standard Mail in E611 and E612.

b. Be presented at one post office as part of a single mailing of at least 200 pieces or 50 pounds of pieces.

c. Meet the physical standards in C820.

d. Bear a delivery address that includes the correct ZIP Code or ZIP+4 code (or, only if prepared with a delivery point barcode (DPBC), the numeric equivalent to the DPBC).

e. Meet the address quality and coding standards of A800 and A950.

f. Bear the correct 5-digit barcode, ZIP+4 barcode, or DPBC, subject to C840, *except for pieces in specific portions of mailings prepared under M897.*

g. Be marked, sorted, and documented as specified in M897.

h. Meet the postage payment standards in P013 and P600.

i. Separately qualify under the standard for any other discount claimed.

3.2 Rate Application

Nonprofit ZIP+4 Barcoded rates apply to each piece that also:

a. Is sorted under M897 into the qualifying groups described in 3.6.

b. Bears the correct ZIP+4 barcode or DPBC.

3.3 Optional Preparation

At the mailer's option, barcoded Nonprofit Standard Mail may be prepared under the standards for Automation Standard Mail in M820, including presort. Under this option, barcoded Nonprofit Standard Mail may claim Nonprofit $\frac{3}{5}$ Barcoded and Basic Barcoded rates if *all* corresponding eligibility standards in E631 and E641 for Automation $\frac{3}{5}$ and Basic rates are met.

3.4 5-Digit Barcodes

Nonprofit ZIP+4 Barcoded rate mailings may include pieces with correct 5-digit barcodes if those pieces meet the standards in 3.1 through 3.3 and the standards for 5-digit barcodes in C840. Pieces with a 5-digit barcode could be eligible for a presort rate under 3.6.

3.5 85% Rule

Generally, at least 85% of all pieces in a Nonprofit ZIP+4 Barcoded rate mailing (regardless of presort level or rate) must bear the correct ZIP+4 barcode or DPBC for the delivery address, as defined by the standards for address quality and coding accuracy in A800 and A950. Remaining pieces must bear the correct 5-digit barcode meeting the applicable standards in C840. The 85% requirement applies to each

mailing unless excepted by other standards. Nonprofit ZIP+4 Barcoded rate mailings not meeting the 85% rule must be prepared under corresponding standards in M897.

3.6 Presort

In 5-digit or 3-digit packages of 10 or more pieces each, ZIP+4 barcoded or DPBC pieces can qualify for the Nonprofit 3/5 ZIP+4 Barcoded rate; other pieces qualify for the Nonprofit 3/5 rate. In SCF packages of 10 or more pieces each, or in residual packages, ZIP+4 barcoded or DPBC pieces qualify for the Nonprofit Basic ZIP+4 Barcoded rate for flats; 5-digit barcoded pieces qualify for the Nonprofit Basic rate.

E650 Destination Entry Discounts

E651 Destination Entry—Regular, Nonprofit, and Enhanced Carrier Route Standard Mail

[Insert text of current E350 and redesignate as E651; in 1.4, replace "bulk third-class mail" with "bulk rate Standard Mail (A)"; in 3.9, replace "third-class mail" with "Standard Mail (A)"; revise the rest of E651 as follows:]

1.0 Basic Standards

1.1 Rate Application

Regular, Nonprofit, and Enhanced Carrier Route Standard Mail meeting the basic standards in E611 and E612 may qualify for the destination BMC, SCF, or DDU entry rates if deposited at the correct destination postal facility, subject to the general standards below and the specific standards in 5.0, 6.0, and 7.0, respectively. Only one destination reduction may be claimed for each mailpiece.

* * * * *

5.0 DBMC Discount

[In 5.1, replace "L708" with "L602."]

* * * * *

5.2 Eligibility

[Add the following text after the first sentence:]

* * * All pieces in an ADC or AADC sack or tray are eligible for the DBMC discount if the ADC or AADC facility ZIP Code (as shown on Line 1 of the corresponding container label) is within the service area of the BMC at which the sack or tray is deposited. All pieces in a palletized ADC package are eligible for the DBMC discount if the ADC facility that is the destination of the package is within the service area of the BMC at which it is deposited.

[Replace current 5.3 with new 5.3 as follows:]

5.3 Separate Containers

Separate mixed ADC or mixed AADC sacks or trays must be prepared for pieces eligible for and claimed at the DBMC rate and for pieces not claimed at the DBMC rate. Otherwise applicable restrictions (e.g., minimum volume, number of less-than-full trays) are excepted when necessary to comply with this standard. Alternatively, the mailer may waive this separation if no pieces in the resulting mixed ADC or mixed AADC containers are claimed at the DBMC rate. Separate destination BMC sacks or pallets are not required for machinable parcels claimed at the DBMC rate.

* * * * *

6.0 DSCF DISCOUNT

6.1 Definition

For this standard, *destination sectional center facility (DSCF)* refers to the facilities listed in L002, Column C.

6.2 Eligibility

Pieces in a mailing that meet the standards in 1.0 through 4.0 and 6.0 are eligible for the DSCF rate when deposited at a DSCF, addressed for delivery within that facility's service area, and placed in other than an ADC, AADC, mixed ADC, or mixed AADC tray or sack, or BMC sack or pallet (as permitted by the standards for the rate claimed) that is labeled to that DSCF or to a postal facility within its service area. DSCF rate mail may also be eligible for a presort or automation discount subject to the corresponding standards.

* * * * *

7.0 DDU Discount

7.1 Definition

For this standard, *destination delivery unit (DDU)* refers to the facility designated by the USPS district drop shipment coordinator (for automation rate Standard Mail) or the facility (post office, branch, station, etc.) where the carrier cases mail for delivery to the addresses on pieces in the mailing (for other Standard Mail (A)).

* * * * *

[Remove 7.3.]

E652 Destination Entry—Parcel Post

[Insert text of current E450 and redesignate as E652; in 1.4, replace "fourth-class" with "Standard Mail (B)"; no other change in text.]

E670 Nonprofit Standard Mail

[Insert text of current E370 and redesignate as E670; in 1.1, 1.3, 2.1, 3.1, 3.3, 4.1, 4.2, 5.1, 5.2, 5.3, 5.4, 5.4a, 5.4b,

5.4c, 5.4d(1), 5.6a, 5.6b, 5.6b(1), 5.6b(2), 5.6b(3), 5.6e, 5.8, 5.9, 5.10, 5.10c, 5.11, 5.12, 6.0, 7.1, 7.3, 8.1, 8.3, 9.1, 9.2, 9.3, 9.4, 11.1, and 11.4, replace "[s]pecial bulk third-class rate[s]," "special bulk rate[s]," or "special rate[s]" with "Nonprofit Standard Mail rate[s]"; in 1.3, replace "for all bulk third-class mail in E311 and E312" with "in E611 and E612"; in 3.3, 5.4d(2), 5.6b, 5.11, 9.2, and 9.3b, replace "third-class" with "Standard Mail (A)"; in 5.8d, replace the reference "E211.11.0" with "E211"; in 5.10c, replace the reference "E370.5.0" with "5.0"; in 9.2, replace "First-" with "First-Class" and "regular" with "Regular or Enhanced Carrier Route"; no other change in text.]

F Forwarding and Related Services

F000 Basic Services

F010 Basic Information

[In 3.0d, replace "fourth-class" and "third-class" with "Standard Mail (B)" and "Standard Mail (A)," respectively; in Exhibit 4.2, 5.2 (heading and text), 5.2a, 5.2b, 5.2e, 5.2f, 5.2g, and 6.1, replace "[S]econd-[C]lass [[M]ail]" with "Periodicals"; in 4.4, replace the reference "M011" with "M012"; in 4.6b, 5.2e, the table following 5.2g, 6.1, 7.1, and 8.1e, replace "third- or fourth-class" with "Standard Mail"; in 4.6d, 5.3b, 5.4 (heading and text), 5.4b, 5.4c, 5.4d, 5.4e, and 6.3, replace "[F]ourth-[C]lass [[M]ail]" with "Standard Mail (B)"; in 5.3 (heading and text), 5.3a, 5.3f, 5.3g, the table following 5.3g, 6.2, 8.1a, 8.1b, and 8.1e, replace "[T]hird-[C]lass [[M]ail]" with "Standard Mail (A)"; in 7.1a and 7.2, replace "second, third-, or fourth-class" with "Periodicals or Standard Mail"; in 7.4, replace "special fourth-class" with "Special Standard Mail"; in 8.1e, replace "third- and fourth-class" with "Standard Mail"; no other change in text.]

F020 Forwarding

[In 2.3, 2.4, and 2.6, replace "First-, second-, and fourth-class mail [,] and [all] single-piece rate third-class mail" with "First-Class, Periodicals, Standard Mail (B), and single-piece rate Standard Mail (A)"; in 3.4 (heading and text), replace "Second-[C]lass" with "Periodicals"; in 3.5 (heading and text), replace "Third-[C]lass [mail]," "fourth-class," and "Special Fourth-Class" with "Standard Mail (A)," "Standard Mail (B)," and "Special Standard Mail," respectively; in 3.6 (heading and text), replace "[F]ourth-[C]lass [mail]" with "Standard Mail (B)"; no other change in text.]

F030 Address Correction, Address Change, and Return Services

[In 1.2 (heading and text) and 2.3 (heading and text), replace “[S]econd-[C]lass” with “Periodicals”; in 1.3, replace “third- and fourth-class mail” and “Express Mail, First-, third-, or fourth-class mail” with “Standard Mail” and “Express Mail, First-Class Mail, and Standard Mail,” respectively; in 3.2d, replace “third-class mail” with “Standard Mail (A)”; in 3.2e, replace “fourth-class mail” with “Standard Mail (B)”; *no other change in text.]*

G General Information

* * * * *

G020 Mailing Standards

[In 2.2, replace “mailing statement” with “postage statement”; no other change.]

* * * * *

L LABELING LISTS

L000 General Use

L001 Optional Multi-ZIP Coded Post Offices—Preferred Periodicals and Nonprofit Standard Mail Only

[Amend the heading as follows; no change to list entries.]

As permitted by the standards for the rate claimed, Preferred Periodicals mailings may be sorted to the following multi-ZIP Coded cities.

* * * * *

[Replace current L002 as follows:]

L002 3-Digit ZIP Code Prefix Matrix

This table provides information about 3-digit ZIP Code prefixes as follows:

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
001 ^x			
002 ^x			
003 ^x			
004	WESTCHESTER NY 004	WESTCHESTER NY 004	SCF WESTCHESTER NY 105.
005	MID-ISLAND NY 005	MID-ISLAND NY 005	SCF MID-ISLAND NY 117.
006	SAN JUAN PR 006	SAN JUAN PR 006 ^s	SCF SAN JUAN PR 006.
007	SAN JUAN PR 007	SAN JUAN PR 006 ^s	SCF SAN JUAN PR 006.
008	(1)	SAN JUAN PR 006 ^s	(1).
009	SAN JUAN PR 009 ^U	SAN JUAN PR 006 ^s	SCF SAN JUAN PR 006.
010	SPRINGFIELD MA 010	SPRINGFIELD MA 010 ^s	SCF SPRINGFIELD MA 010.
011	SPRINGFIELD MA 011 ^U	SPRINGFIELD MA 010 ^s	SCF SPRINGFIELD MA 010.
012	PITTSFIELD MA 012	PITTSFIELD MA 012	PITTSFIELD MA 012 ^D .
013	SPRINGFIELD MA 013	SPRINGFIELD MA 010 ^s	SCF SPRINGFIELD MA 010.
014	WORCESTER MA 014	WORCESTER MA 015 ^s	SCF WORCESTER MA 015.
015	WORCESTER MA 015	WORCESTER MA 015 ^s	SCF WORCESTER MA 015.
016	WORCESTER MA 016 ^U	WORCESTER MA 016	SCF WORCESTER MA 015.
017	WORCESTER MA 017	WORCESTER MA 015 ^s	SCF WORCESTER MA 015.
018	MIDDLESEX-ESSX MA 018	MIDDLESEX-ESSX MA 018 ^s	SCF MIDDLESEX-ESSX MA 018.
019	MIDDLESEX-ESSX MA 019	MIDDLESEX-ESSX MA 018 ^s	SCF MIDDLESEX-ESSX MA 018.
020	BROCKTON MA 020	BROCKTON MA 023 ^s	SCF BROCKTON MA 023.
021	BOSTON MA 021 ^U	BOSTON MA 021 ^s	SCF BOSTON MA 021.
022	BOSTON MA 022 ^U	BOSTON MA 021 ^s	SCF BOSTON MA 021.
023	BROCKTON MA 023	BROCKTON MA 023 ^s	SCF BROCKTON MA 023.
024	BROCKTON MA 024 ^U	BROCKTON MA 023 ^s	SCF BROCKTON MA 023.
025	BUZZARDS BAY MA 025	BUZZARDS BAY MA 025 ^s	SCF BUZZARDS BAY MA 025.
026	BUZZARDS BAY MA 026	BUZZARDS BAY MA 025 ^s	SCF BUZZARDS BAY MA 025.
027	PROVIDENCE RI 027	PROVIDENCE RI 028 ^s	SCF PROVIDENCE RI 028.
028	PROVIDENCE RI 028	PROVIDENCE RI 028 ^s	SCF PROVIDENCE RI 028.
029	PROVIDENCE RI 029 ^U	PROVIDENCE RI 029	SCF PROVIDENCE RI 028.
030	MANCHESTER NH 030	MANCHESTER NH 030	SCF MANCHESTER NH 030.
031	MANCHESTER NH 031 ^U	MANCHESTER NH 031	SCF MANCHESTER NH 030.
032	MANCHESTER NH 032	MANCHESTER NH 032	SCF MANCHESTER NH 030.
033	CONCORD NH 033 ^U	CONCORD NH 033	SCF MANCHESTER NH 030.
034	MANCHESTER NH 034	MANCHESTER NH 034	SCF MANCHESTER NH 030.
035	WHITE RVR JCT VT 035	WHITE RVR JCT VT 051 ^s	SCF WHITE RVR JCT VT 050.
		SCHEME B	
036	WHITE RVR JCT 036	WHITE RVR JCT VT 051 ^s	SCF WHITE RVR JCT VT 050.
		SCHEME B	
037	WHITE RVR JCT 037	WHITE RVR JCT VT 050 ^s	SCF WHITE RVR JCT VT 050.
		SCHEME C	
038	PORTSMOUTH NH 038	PORTSMOUTH NH 038 ^s	SCF PORTSMOUTH NH 038.
039	PORTSMOUTH NH 039	PORTSMOUTH NH 038 ^s	SCF PORTSMOUTH NH 038.
040	PORTLAND ME 040	PORTLAND ME 040	SCF PORTLAND ME 040.
041	PORTLAND ME 041 ^U	PORTLAND ME 041	SCF PORTLAND ME 040.
042	PORTLAND ME 042	PORTLAND ME 042	SCF PORTLAND ME 040.
043	PORTLAND ME 043	PORTLAND ME 043 ^s	SCF PORTLAND ME 040.
044	BANGOR ME 044	BANGOR ME 044	SCF BANGOR ME 044.
045	PORTLAND ME 045	PORTLAND ME 043 ^s	SCF PORTLAND ME 040.
046	BANGOR ME 046	BANGOR ME 046	SCF BANGOR ME 044.
047	BANGOR ME 047	BANGOR ME 047	SCF BANGOR ME 044.
048	PORTLAND ME 048	PORTLAND ME 048	SCF PORTLAND ME 040.
049	BANGOR ME 049	BANGOR ME 049	SCF BANGOR ME 044.

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
050	WHITE RVR JCT VT 050	WHITE RVR JCT VT 050 ^S	SCF WHITE RVR JCT VT 050.
051	WHITE RVR JCT VT 051	SCHEME C WHITE RVR JCT VT 051 ^S	SCF WHITE RVR JCT VT 050.
052	WHITE RVR JCT VT 052	SCHEME B WHITE RVR JCT VT 051 ^S	SCF WHITE RVR JCT VT 050.
053	WHITE RVR JCT VT 053	SCHEME B WHITE RVR JCT VT 051 ^S	SCF WHITE RVR JCT VT 050.
054	BURLINGTON VT 054	SCHEME B BURLINGTON VT 054 ^S	SCF BURLINGTON VT 054.
055	MIDDLESEX-ESSX MA 055	MIDDLESEX-ESSX MA 018 ^S	SCF MIDDLESEX-ESSX MA 018.
056	BURLINGTON VT 056	BURLINGTON VT 054 ^S	SCF BURLINGTON VT 054.
057	WHITE RVR JCT VT 057	WHITE RVR JCT VT 057 ^S	SCF WHITE RVR JCT VT 050.
058	WHITE RVR JCT VT 058	SCHEME A WHITE RVR JCT VT 057 ^S	SCF WHITE RVR JCT VT 050.
059	WHITE RVR JCT VT 059	SCHEME A WHITE RVR JCT VT 051 ^S	SCF WHITE RVR JCT VT 050.
060	HARTFORD CT 060	SCHEME B HARTFORD CT 060	SCF HARTFORD CT 060.
061	HARTFORD CT 061 ^U	HARTFORD CT 061	SCF HARTFORD CT 060.
062	HARTFORD CT 062	HARTFORD CT 062	SCF HARTFORD CT 060.
063	SOUTHERN CT 063	SOUTHERN CT 063	SCF SOUTHERN CT 064.
064	SOUTHERN CT 064	SOUTHERN CT 064	SCF SOUTHERN CT 064.
065	NEW HAVEN CT 065 ^U	NEW HAVEN CT 065	SCF SOUTHERN CT 064.
066	BRIDGEPORT CT 066 ^U	BRIDGEPORT CT 066	SCF SOUTHERN CT 064.
067	WATERBURY CT 067	WATERBURY CT 067	WATERBURY CT 067. ^D
068	STAMFORD CT 068	STAMFORD CT 068 ^S	SCF STAMFORD CT 068.
069	STAMFORD CT 069 ^U	STAMFORD CT 068 ^S	SCF STAMFORD CT 068.
070	NEWARK NJ 070	NEWARK NJ 070	SCF NEWARK NJ 070.
071	NEWARK NJ 071 ^U	NEWARK NJ 071	SCF NEWARK NJ 070.
072	ELIZABETH NJ 072 ^U	ELIZABETH NJ 072	SCF NEWARK NJ 070.
073	JERSEY CITY NJ 073 ^U	JERSEY CITY NJ 073	SCF NEWARK NJ 070.
074	PATERSON NJ 074	HACKENSACK NJ 074 ^S	SCF PATERSON NJ 074.
075	PATERSON NJ 075 ^U	PATERSON NJ 075	SCF PATERSON NJ 074.
076	HACKENSACK NJ 076	HACKENSACK NJ 074 ^S	HACKENSACK NJ 076. ^D
077	MONMOUTH NJ 077	KILMER NJ 077 ^S	MONMOUTH NJ 077. ^D
078	WEST JERSEY NJ 078	WEST JERSEY NJ 078 ^S	SCF WEST JERSEY NJ 079.
079	WEST JERSEY NJ 079	WEST JERSEY NJ 078 ^S	SCF WEST JERSEY NJ 079.
080	SOUTH JERSEY NJ 080	SOUTH JERSEY NJ 080 ^S	SCF SOUTH JERSEY NJ 080.
081	CAMDEN NJ 081 ^U	SCHEME A SOUTH JERSEY NJ 080 ^S	SCF SOUTH JERSEY NJ 080.
082	SOUTH JERSEY NJ 082	SCHEME A SOUTH JERSEY NJ 080 ^S	SCF SOUTH JERSEY NJ 080.
083	SOUTH JERSEY NJ 083	SCHEME B SOUTH JERSEY NJ 080 ^S	SCF SOUTH JERSEY NJ 080.
084	ATLANTIC CITY NJ 084 ^U	SCHEME B SOUTH JERSEY NJ 080 ^S	SCF SOUTH JERSEY NJ 080.
085	TRENTON NJ 085	SCHEME B TRENTON NJ 085 ^S	SCF TRENTON NJ 085.
086	TRENTON NJ 086 ^U	TRENTON NJ 085 ^S	SCF TRENTON NJ 085.
087	TRENTON NJ 087	TRENTON NJ 085 ^S	SCF TRENTON NJ 085.
088	KILMER NJ 088	KILMER NJ 077 ^S	SCF KILMER NJ 088.
089	NEW BRUNSWICK NJ 089 ^U	NEW BRUNSWICK NJ 089	SCF KILMER NJ 088.
090	APO AE 090	APO AE 090.	
091	APO AE 091	APO AE 091.	
092	APO AE 092	APO AE 092.	
093	APO AE 093	APO AE 093	
094	APO/FPO AE 094	APO/FPO AE 094	
095	FPO AE 095	FPO AE 095	
096	APO/FPO AE 096	APO/FPO AE 096	
097	APO/FPO AE 097	APO/FPO AE 097	
098	APO/FPO AE 098	APO/FPO AE 098	
099 ^X			
100	NEW YORK NY 100 ^U	NEW YORK NY 100	SCF NEW YORK NY 100.
101	NEW YORK NY 101 ^U	NEW YORK NY 101	SCF NEW YORK NY 100.
102	NEW YORK NY 102 ^U	NEW YORK NY 102	SCF NEW YORK NY 100.
103	STATEN ISLAND NY 103 ^U	STATEN ISLAND NY 103	STATEN ISLAND NY 103. ^D
104	BRONX NY 104 ^U	BRONX NY 104	BRONX NY 104. ^D
105	WESTCHESTER NY 105	WESTCHESTER NY 105	SCF WESTCHESTER NY 105.
106	WHITE PLAINS NY 106 ^U	WHITE PLAINS NY 106	SCF WESTCHESTER NY 105.
107	YONKERS NY 107 ^U	YONKERS NY 107	SCF WESTCHESTER NY 105.
108	NEW ROCHELLE NY 108 ^U	NEW ROCHELLE NY 108	SCF WESTCHESTER NY 105.
109	ROCKLAND NY 109	ROCKLAND NY 109	ROCKLAND NY 109. ^D

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label con- tainer to	Column C For SCF destinations, label container to
110	QUEENS NY 110	QUEENS NY 110 ^S	SCF QUEENS NY 110.
111	LONG ISLAND CITY NY 111 ^U	LONG ISLAND CITY NY 111	LONG ISLAND CITY NY 111 ^D .
112	BROOKLYN NY 112 ^U	BROOKLYN NY 112	BROOKLYN NY 112 ^D .
113	FLUSHING NY 113 ^U	QUEENS NY 110 ^S	SCF QUEENS NY 110.
114	JAMAICA NY 114 ^U	QUEENS NY 110 ^S	SCF QUEENS NY 110.
115	WESTERN NASSAU NY 115	WESTERN NASSAU NY 115	WESTERN NASSAU NY 115 ^D .
116	FAR ROCKAWAY NY 116 ^U	QUEENS NY 110 ^S	SCF QUEENS NY 110.
117	MID-ISLAND NY 117	MID-ISLAND NY 117	SCF MID-ISLAND NY 117.
118	HICKSVILLE NY 118 ^U	HICKSVILLE NY 118	SCF MID-ISLAND NY 117.
119	MID-ISLAND NY 119	MID-ISLAND NY 119	SCF MID-ISLAND NY 117.
120	ALBANY NY 120	ALBANY NY 120 ^S	SCF ALBANY NY 120.
121	ALBANY NY 121	ALBANY NY 120 ^S	SCF ALBANY NY 120.
122	ALBANY NY 122 ^U	ALBANY NY 120 ^S	SCF ALBANY NY 120.
123	SCHENECTADY NY 123 ^U	ALBANY NY 120 ^S	SCF ALBANY NY 120.
124	MID-HUDSON NY 124	MID-HUDSON NY 124 ^S	SCF MID-HUDSON NY 125.
125	MID-HUDSON NY 125	MID-HUDSON NY 124 ^S	SCF MID-HUDSON NY 125.
126	POUGHKEEPSIE NY 126 ^U	POUGHKEEPSIE NY 126	SCF MID-HUDSON NY 125.
127	MID-HUDSON NY 127	MID-HUDSON NY 124 ^S	SCF MID-HUDSON NY 125.
128	GLENS FALLS NY 128	GLENS FALLS NY 128	GLENS FALLS NY 128 ^D .
129	PLATTSBURGH NY 129	PLATTSBURGH NY 129	PLATTSBURGH NY 129 ^D .
130	SYRACUSE NY 130	SYRACUSE NY 130 ^S	SCF SYRACUSE NY 130.
131	SYRACUSE NY 131	SYRACUSE NY 130 ^S	SCF SYRACUSE NY 130.
132	SYRACUSE NY 132 ^U	SYRACUSE NY 130 ^S	SCF SYRACUSE NY 130.
133	UTICA NY 133	UTICA NY 133 ^S	SCF UTICA NY 133.
134	UTICA NY 134	UTICA NY 133 ^S	SCF UTICA NY 133.
135	UTICA NY 135 ^U	UTICA NY 135	SCF UTICA NY 133.
136	WATERTOWN NY 136	WATERTOWN NY 136	WATERTOWN NY 136 ^D .
137	BINGHAMTON NY 137	BINGHAMTON NY 137 ^S	SCF BINGHAMTON NY 137.
138	BINGHAMTON NY 138	BINGHAMTON NY 137 ^S	SCF BINGHAMTON NY 137.
139	BINGHAMTON NY 139 ^U	BINGHAMTON NY 137 ^S	SCF BINGHAMTON NY 137.
140	BUFFALO NY 140	BUFFALO NY 140 ^S	SCF BUFFALO NY 140.
141	BUFFALO NY 141	BUFFALO NY 140 ^S	SCF BUFFALO NY 140.
142	BUFFALO NY 142 ^U	BUFFALO NY 140 ^S	SCF BUFFALO NY 140.
143	NIAGARA FALLS NY 143 ^U	BUFFALO NY 140 ^S	SCF BUFFALO NY 140.
144	ROCHESTER NY 144	ROCHESTER NY 144	SCF ROCHESTER NY 144.
145	ROCHESTER NY 145	ROCHESTER NY 145	SCF ROCHESTER NY 144.
146	ROCHESTER NY 146 ^U	ROCHESTER NY 146	SCF ROCHESTER NY 144.
147	JAMESTOWN NY 147	JAMESTOWN NY 147	JAMESTOWN NY 147 ^D .
148	ELMIRA NY 148	ELMIRA NY 148	SCF ELMIRA NY 148.
149	ELMIRA NY 149 ^U	ELMIRA NY 149	SCF ELMIRA NY 148.
150	PITTSBURGH PA 150	PITTSBURGH PA 150	SCF PITTSBURGH PA 150.
151	PITTSBURGH PA 151	PITTSBURGH PA 151	SCF PITTSBURGH PA 150.
152	PITTSBURGH PA 152	SCF PITTSBURGH PA 150..	
153	PITTSBURGH PA 153	PITTSBURGH PA 153	SCF PITTSBURGH PA 150.
154	PITTSBURGH PA 154	PITTSBURGH PA 154	SCF PITTSBURGH PA 150.
155	JOHNSTOWN PA 155	JOHNSTOWN PA 155 ^S	SCF JOHNSTOWN PA 159.
156	GREENSBURG PA 156	GREENSBURG PA 156	GREENSBURG PA 156 ^D .
157	JOHNSTOWN PA 157	JOHNSTOWN PA 155 ^S	SCF JOHNSTOWN PA 159.
158	DUBOIS PA 158	DUBOIS PA 158	DUBOIS PA 158 ^D .
159	JOHNSTOWN PA 159	JOHNSTOWN PA 159	SCF JOHNSTOWN PA 159.
160	NEW CASTLE PA 160	NEW CASTLE PA 160	SCF NEW CASTLE PA 161.
161	NEW CASTLE PA 161	NEW CASTLE PA 161	SCF NEW CASTLE PA 161.
162	NEW CASTLE PA 162	NEW CASTLE PA 162	SCF NEW CASTLE PA 161.
163	OIL CITY PA 163	OIL CITY PA 163	OIL CITY PA 163 ^D .
164	ERIE PA 164	ERIE PA 164 ^S	SCF ERIE PA 164.
165	ERIE PA 165 ^U	ERIE PA 164 ^S	SCF ERIE PA 164.
166	ALTOONA PA 166	ALTOONA PA 166	SCF ALTOONA PA 166.
167	BRADFORD PA 167	BRADFORD PA 167	BRADFORD PA 167 ^D .
168	ALTOONA PA 168	ALTOONA PA 168	SCF ALTOONA PA 166.
169	WILLIAMSPORT PA 169	WILLIAMSPORT PA 169 ^S	SCF WILLIAMSPORT PA 177.
170	HARRISBURG PA 170	HARRISBURG PA 170	SCF HARRISBURG PA 170.
171	HARRISBURG PA 171 ^U	HARRISBURG PA 171	SCF HARRISBURG PA 170.
172	HARRISBURG PA 172	HARRISBURG PA 172	SCF HARRISBURG PA 170.
173	LANCASTER PA 173	LANCASTER PA 173	SCF LANCASTER PA 173.
174	YORK PA 174 ^U	YORK PA 174	SCF LANCASTER PA 173.
175	LANCASTER PA 175	LANCASTER PA 175	SCF LANCASTER PA 173.
176	LANCASTER PA 176 ^U	LANCASTER PA 176	SCF LANCASTER PA 173.
177	WILLIAMSPORT PA 177	WILLIAMSPORT PA 169 ^S	SCF WILLIAMSPORT PA 177.
178	HARRISBURG PA 178	HARRISBURG PA 178	SCF HARRISBURG PA 170.
179	READING PA 179	READING PA 179	SCF READING PA 195.
180	LEHIGH VALLEY PA 180	LEHIGH VALLEY PA 180 ^S	SCF LEHIGH VALLEY PA 180.
181	ALLENTOWN PA 181 ^U	LEHIGH VALLEY PA 180 ^S	SCF LEHIGH VALLEY PA 180.

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
182	WILKES BARRE PA 182	WILKES BARRE PA 182	SCF WILKES BARRE PA 186.
183	LEHIGH VALLEY PA 183	LEHIGH VALLEY PA 180 ^S	SCF LEHIGH VALLEY PA 180
184	SCRANTON PA 184	SCRANTON PA 184	SCF SCRANTON PA 184.
185	SCRANTON PA 185 ^U	SCRANTON PA 185	SCF SCRANTON PA 184.
186	WILKES BARRE PA 186	WILKES BARRE PA 186	SCF WILKES BARRE PA 186.
187	WILKES BARRE PA 187 ^U	WILKES BARRE PA 187	SCF WILKES BARRE PA 186.
188	SCRANTON PA 188	SCRANTON PA 188	SCF SCRANTON PA 184.
189	SOUTHEASTERN PA 189	SOUTHEASTERN PA 189	SCF SOUTHEASTERN PA 189.
190	PHILADELPHIA PA 190	PHILADELPHIA PA 190	SCF PHILADELPHIA PA 190.
191	PHILADELPHIA PA 191 ^U	PHILADELPHIA PA 191 ^S	SCF PHILADELPHIA PA 190.
192	PHILADELPHIA PA 192	PHILADELPHIA PA 191 ^S	SCF PHILADELPHIA PA 190.
193	SOUTHEASTERN PA 193	SOUTHEASTERN PA 193 ^S	SCF SOUTHEASTERN PA 189.
194	SOUTHEASTERN PA 194	SOUTHEASTERN PA 193 ^S	SCF SOUTHEASTERN PA 189.
195	READING PA 195	READING PA 195	SCF READING PA 195.
196	READING PA 196 ^U	READING PA 196	SCF READING PA 195.
197	WILMINGTON DE 197	WILMINGTON DE 197 ^S	SCF WILMINGTON DE 197.
198	WILMINGTON DE 198 ^U	WILMINGTON DE 197 ^S	SCF WILMINGTON DE 197.
199	WILMINGTON DE 199	WILMINGTON DE 197 ^S	SCF WILMINGTON DE 197.
200	WASHINGTON DC 200 ^U	WASHINGTON DC 200	SCF WASHINGTON DC 200.
201	NORTHERN VA 201	NORTHERN VA 201	SCF NORTHERN VA 220.
202	WASHINGTON DC 202	WASHINGTON DC 202 ^S	SCF WASHINGTON DC 200.
203	WASHINGTON DC 203	WASHINGTON DC 202 ^S	SCF WASHINGTON DC 200.
204	WASHINGTON DC 204	WASHINGTON DC 202 ^S	SCF WASHINGTON DC 200.
205	WASHINGTON DC 205	WASHINGTON DC 202 ^S	SCF WASHINGTON DC 200.
206	SOUTHERN MD 206	SOUTHERN MD 206	SCF SOUTHERN MD 206.
207	SOUTHERN MD 207	SOUTHERN MD 207	SCF SOUTHERN MD 206.
208	SUBURBAN MD 208	SUBURBAN MD 208 ^S	SCF SUBURBAN MD 208.
209	SIVLER SPRING MD 209 ^U	SUBURBAN MD 208 ^S	SCF SUBURBAN MD 208.
210	BALTIMORE MD 210	BALTIMORE MD 210 ^S	SCF BALTIMORE MD 210.
211	BALTIMORE MD 211	BALTIMORE MD 210 ^S	SCF BALTIMORE MD 210.
212	BALTIMORE MD 212 ^U	BALTIMORE MD 212	SCF BALTIMORE MD 210.
213 ^X			
214	ANNAPOLIS MD 214 ^U	ANNAPOLIS MD 214	SCF BALTIMORE MD 210.
215	CUMBERLAND MD 215	CUMBERLAND MD 215	SCF CUMBERLAND MD 215.
216	EASTON MD 216	EASTON MD 216	EASTON MD 216. ^D
217	FREDERICK MD 217	FREDERICK MD 217	FREDERICK MD 217. ^D
218	SALISBURY MD 218	SALISBURY MD 218	SALISBURY MD 218. ^D
219	BALTIMORE MD 219	BALTIMORE MD 210 ^S	SCF BALTIMORE MD 210.
220	NORTHERN VA 220	NORTHERN VA 220	SCF NORTHERN VA 220.
221	NORTHERN VA 221	NORTHERN VA 221	SCF NORTHERN VA 220.
222	ARLINGTON VA 222 ^U	ARLINGTON VA 222	SCF NORTHERN VA 220.
223	ALEXANDRIA VA 223 ^U	ALEXANDRIA VA 223	SCF NORTHERN VA 220.
224	RICHMOND VA 224	RICHMOND VA 224 ^S	SCF RICHMOND VA 230.
		SCHEME B	
225	RICHMOND VA 225	RICHMOND VA 224 ^S	SCF RICHMOND VA 230.
		SCHEME B	
226	WINCHESTER VA 226	WINCHESTER VA 226	WINCHESTER VA 226. ^D
227	CULPEPER VA 227	CULPEPER VA 227	CULPEPER VA 227. ^D
228	CHARLOTTESVILLE VA 228	CHARLOTTESVILLE VA 228	SCF CHARLOTTESVILLE VA 229.
229	CHARLOTTESVILLE VA 229	CHARLOTTESVILLE VA 229	SCF CHARLOTTESVILLE VA 229.
230	RICHMOND VA 230	RICHMOND VA 230 ^S	SCF RICHMOND VA 230.
		SCHEME A	
231	RICHMOND VA 231	RICHMOND VA 230 ^S	SCF RICHMOND VA 230.
		SCHEME A	
232	RICHMOND VA 232 ^U	RICHMOND VA 232	SCF RICHMOND VA 230.
233	NORFOLK VA 233	NORFOLK VA 233 ^S	SCF NORFOLK VA 233.
234	NORFOLK VA 234	NORFOLK VA 233 ^S	SCF NORFOLK VA 233.
235	NORFOLK VA 235 ^U	NORFOLK VA 233 ^S	SCF NORFOLK VA 233.
236	NORFOLK VA 236	NORFOLK VA 233 ^S	SCF NORFOLK VA 233.
237	PORTSMOUTH VA 237 ^U	NORFOLK VA 233 ^S	SCF NORFOLK VA 233.
238	RICHMOND VA 238	RICHMOND VA 224 ^S	SCF RICHMOND VA 230.
		SCHEME B	
239	FARMVILLE VA 239	FARMVILLE VA 239	FARMVILLE VA 239. ^D
240	ROANOKE VA 240	ROANOKE VA 240 ^S	SCF ROANOKE VA 240.
241	ROANOKE VA 241	ROANOKE VA 240 ^S	SCF ROANOKE VA 240.
242	BRISTOL VA 242	BRISTOL VA 242	BRISTOL VA 242. ^D
243	ROANOKE VA 243	ROANOKE VA 243	SCF ROANOKE VA 240.
244	CHARLOTTESVILLE VA 244	CHARLOTTESVILLE VA 244	SCF CHARLOTTESVILLE VA 229.
245	LYNCHBURG VA 245	LYNCHBURG VA 245	LYNCHBURG VA 245. ^D
246	BLUEFIELD WV 246	BLUEFIELD WV 246	SCF BLUEFIELD WV 247.
247	BLUEFIELD WV 247	BLUEFIELD WV 247	SCF BLUEFIELD WV 247.
248	BLUEFIELD WV 248	BLUEFIELD WV 248	SCF BLUEFIELD WV 247.

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
249	LEWISBURG WV 249	LEWISBURG WV 249	LEWISBURG WV 249. ^D
250	CHARLESTON WV 250	CHARLESTON WV 250 ^S	SCF CHARLESTON WV 250.
251	CHARLESTON WV 251	CHARLESTON WV 250 ^S	SCF CHARLESTON WV 250.
252	CHARLESTON WV 252	CHARLESTON WV 250 ^S	SCF CHARLESTON WV 250.
253	CHARLESTON WV 253 ^U	CHARLESTON WV 253	SCF CHARLESTON WV 250.
254	MARTINSBURG WV 254	MARTINSBURG WV 254	MARTINSBURG WV 254. ^D
255	HUNTINGTON WV 255	HUNTINGTON WV 255	SCF HUNTINGTON WV 255.
256	HUNTINGTON WV 256	HUNTINGTON WV 256	SCF HUNTINGTON WV 255.
257	HUNTINGTON WV 257 ^U	HUNTINGTON WV 257	SCF HUNTINGTON WV 255.
258	BECKLEY WV 258	BECKLEY WV 258	SCF BECKLEY WV 258.
259	BECKLEY WV 259	BECKLEY WV 259	SCF BECKLEY WV 258.
260	WHEELING WV 260	WHEELING WV 260	WHEELING WV 260. ^D
261	PARKERSBURG WV 261	PARKERSBURG WV 261	PARKERSBURG WV 261. ^D
262	CLARKSBURG WV 262	CLARKSBURG WV 262	SCF CLARKSBURG WV 263.
263	CLARKSBURG WV 263	CLARKSBURG WV 263	SCF CLARKSBURG WV 263.
264	CLARKSBURG WV 264	CLARKSBURG WV 264	SCF CLARKSBURG WV 263.
265	CLARKSBURG WV 265	CLARKSBURG WV 265	SCF CLARKSBURG WV 263.
266	GASSAWAY WV 266	GASSAWAY WV 266	GASSAWAY WV 266. ^D
267	CUMBERLAND MD 267	CUMBERLAND MD 267	SCF CUMBERLAND MD 215.
268	PETERSBURG WV 268	PETERSBURG WV 268	PETERSBURG WV 268. ^D
269 ^X			
270	GREENSBORO NC 270	GREENSBORO NC 270	SCF GREENSBORO NC 270.
271	WINSTON-SALEM NC 271 ^U	WINSTON-SALEM NC 271	SCF GREENSBORO NC 270.
272	GREENSBORO NC 272	GREENSBORO NC 272	SCF GREENSBORO NC 270.
273	GREENSBORO NC 273	GREENSBORO NC 273	SCF GREENSBORO NC 270.
274	GREENSBORO NC 274 ^U	GREENSBORO NC 274	SCF GREENSBORO NC 270.
275	RALEIGH NC 275	RALEIGH NC 275	SCF RALEIGH NC 275.
276	RALEIGH NC 276 ^U	RALEIGH NC 276	SCF RALEIGH NC 275.
277	DURHAM NC 277 ^U	DURHAM NC 277	SCF RALEIGH NC 275.
278	ROCKY MOUNT NC 278	ROCKY MOUNT NC 278 ^S	SCF ROCKY MOUNT NC 278.
279	ROCKY MOUNT NC 279	ROCKY MOUNT NC 278 ^S	SCF ROCKY MOUNT NC 278.
280	CHARLOTTE NC 280	CHARLOTTE NC 280 ^S	SCF CHARLOTTE NC 280.
281	CHARLOTTE NC 281	CHARLOTTE NC 280 ^S	SCF CHARLOTTE NC 280.
282	CHARLOTTE NC 282 ^U	CHARLOTTE NC 282	SCF CHARLOTTE NC 280.
283	FAYETTEVILLE NC 283	FAYETTEVILLE NC 283	SCF FAYETTEVILLE NC 283.
284	FAYETTEVILLE NC 284	FAYETTEVILLE NC 284	SCF FAYETTEVILLE NC 283.
285	KINSTON NC 285	KINSTON NC 285	KINSTON NC 285. ^D
286	HICKORY NC 286	HICKORY NC 286	HICKORY NC 286. ^D
287	ASHEVILLE NC 287	ASHEVILLE NC 287	SCF ASHEVILLE NC 287.
288	ASHEVILLE NC 288 ^U	ASHEVILLE NC 288	SCF ASHEVILLE NC 287.
289	ASHEVILLE NC 289	ASHEVILLE NC 289	SCF ASHEVILLE NC 287.
290	COLUMBIA SC 290	COLUMBIA SC 290 ^S	SCF COLUMBIA SC 290.
291	COLUMBIA SC 291	COLUMBIA SC 290 ^S	SCF COLUMBIA SC 290.
292	COLUMBIA SC 292 ^U	COLUMBIA SC 292	SCF COLUMBIA SC 290.
293	GREENVILLE SC 293	GREENVILLE SC 296 ^S	SCF GREENVILLE SC 296.
294	CHARLESTON SC 294	CHARLESTON SC 294	CHARLESTON SC 294. ^D
295	FLORENCE SC 295	FLORENCE SC 295	FLORENCE SC 295. ^D
296	GREENVILLE SC 296	GREENVILLE SC 296 ^S	SCF GREENVILLE SC 296.
297	CHARLOTTE NC 297	CHARLOTTE NC 280 ^S	SCF CHARLOTTE NC 280.
298	AUGUSTA GA 298	AUGUSTA GA 298	SCF AUGUSTA GA 308.
299	SAVANNAH GA 299	SAVANNAH GA 299	SCF SAVANNAH GA 313.
300	NORTH METRO GA 300	NORTH METRO GA 300 ^S	SCF NORTH METRO GA 300.
301	NORTH METRO GA 301	NORTH METRO GA 300 ^S	SCF NORTH METRO GA 300.
302	NORTH METRO GA 302	NORTH METRO GA 302	SCF NORTH METRO GA 300.
303	ATLANTA GA 303 ^U	ATLANTA GA 303 ^S	SCF ATLANTA GA 303.
304	SWAINSBORO GA 304	SWAINSBORO GA 304	SWAINSBORO GA 304. ^D
305	ATHENS GA 305	ATHENS GA 305	SCF ATHENS GA 306.
306	ATHENS GA 306	ATHENS GA 306	SCF ATHENS GA 306.
307	CHATTANOOGA TN 307	CHATTANOOGA TN 307	SCF CHATTANOOGA TN 373.
308	AUGUSTA GA 308	AUGUSTA GA 308	SCF AUGUSTA GA 308.
309	AUGUSTA GA 309 ^U	AUGUSTA GA 309	SCF AUGUSTA GA 308.
310	MACON GA 310	MACON GA 310 ^S	SCF MACON GA 310.
311	ATLANTA GA 311 ^U	ATLANTA GA 303 ^S	SCF ATLANTA GA 303.
312	MACON GA 312 ^U	MACON GA 310 ^S	SCF MACON GA 310.
313	SAVANNAH GA 313	SAVANNAH GA 313	SCF SAVANNAH GA 313.
314	SAVANNAH GA 314 ^U	SAVANNAH GA 314	SCF SAVANNAH GA 313.
315	WAYCROSS GA 315	WAYCROSS GA 315	WAYCROSS GA 315. ^D
316	VALDOSTA GA 316	VALDOSTA GA 316	VALDOSTA GA 316. ^D
317	ALBANY GA 317	ALBANY GA 317	ALBANY GA 317. ^D
318	COLUMBUS GA 318	COLUMBUS GA 318 ^S	SCF COLUMBUS GA 318.
319	COLUMBUS GA 319 ^U	COLUMBUS GA 318 ^S	SCF COLUMBUS GA 318.
320	JACKSONVILLE FL 320	JACKSONVILLE FL 320	SCF JACKSONVILLE FL 320.

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
321	DAYTONA BEACH FL 321	DAYTONA BEACH FL 321	DAYTONA BEACH FL 321. ^D
322	JACKSONVILLE FL 322 ^U	JACKSONVILLE FL 322	SCF JACKSONVILLE FL 320.
323	TALLAHASSEE FL 323	TALLAHASSEE FL 323	TALLAHASSEE FL 323. ^D
324	PANAMA CITY FL 324	PANAMA CITY FL 324	PANAMA CITY FL 324. ^D
325	PENSACOLA FL 325	PENSACOLA FL 325	PENSACOLA FL 325. ^D
326	GAINESVILLE FL 326	GAINESVILLE FL 326	SCF GAINESVILLE FL 326.
327	MID-FLORIDA FL 327	MID-FLORIDA FL 327	MID-FLORIDA FL 327. ^D
328	ORLANDO FL 328 ^U	ORLANDO FL 328	SCF ORLANDO FL 328.
329	ORLANDO FL 329	ORLANDO FL 329	SCF ORLANDO FL 328.
330	SOUTH FLORIDA FL 330	SOUTH FLORIDA FL 330	SOUTH FLORIDA FL 330. ^D
331	MIAMI FL 331 ^U	MIAMI FL 331	SCF MIAMI FL 331.
332	MIAMI FL 332 ^U	MIAMI FL 332	SCF MIAMI FL 331.
333	FT LAUDERDALE FL 333 ^U	FT LAUDERDALE FL 333	FT LAUDERDALE FL 333. ^D
334	WEST PALM BCH FL 334	WEST PALM BCH FL 334 ^S	SCF WEST PALM BCH FL 334.
335	TAMPA FL 335	TAMPA FL 335 ^S	SCF TAMPA FL 335.
336	TAMPA FL 336 ^U	TAMPA FL 336	SCF TAMPA FL 335.
337	ST PETERSBURG FL 337 ^U	ST PETERSBURG FL 337	ST PETERSBURG FL 337. ^D
338	LAKELAND FL 338	LAKELAND FL 338	LAKELAND FL 338. ^D
339	FT MYERS FL 339	FT MYERS FL 339	FT MYERS FL 339. ^D
340	APO/FPO AA 340	APO/FPO AA 340	
341 ^X			
342	MANASOTA FL 342	MANASOTA FL 342	MANASOTA FL 342. ^D
343 ^X			
344	GAINESVILLE FL 344	GAINESVILLE FL 344	SCF GAINESVILLE FL 326.
345 ^X			
346	TAMPA FL 346	TAMPA FL 335 ^S	SCF TAMPA FL 335.
347	ORLANDO FL 347	ORLANDO FL 347	SCF ORLANDO FL 328.
348 ^X			
349	WEST PALM BCH FL 349	WEST PALM BCH FL 334 ^S	SCF WEST PALM BCH FL 334.
350	BIRMINGHAM AL 350	BIRMINGHAM AL 350	SCF BIRMINGHAM AL 350.
351	BIRMINGHAM AL 351	BIRMINGHAM AL 351	SCF BIRMINGHAM AL 350.
352	BIRMINGHAM AL 352 ^U	BIRMINGHAM AL 352	SCF BIRMINGHAM AL 350.
353 ^X			
354	TUSCALOOSA AL 354	TUSCALOOSA AL 354	TUSCALOOSA AL 354. ^D
355	BIRMINGHAM AL 355	BIRMINGHAM AL 355	SCF BIRMINGHAM AL 350.
356	HUNTSVILLE AL 356	HUNTSVILLE AL 356	SCF HUNTSVILLE AL 357.
357	HUNTSVILLE AL 357	HUNTSVILLE AL 357	SCF HUNTSVILLE AL 357.
358	HUNTSVILLE AL 358 ^U	HUNTSVILLE AL 358	SCF HUNTSVILLE AL 357.
359	BIRMINGHAM AL 359	BIRMINGHAM AL 359	SCF BIRMINGHAM AL 350.
360	MONTGOMERY AL 360	MONTGOMERY AL 360	SCF MONTGOMERY AL 360.
361	MONTGOMERY AL 361 ^U	MONTGOMERY AL 361	SCF MONTGOMERY AL 360.
362	ANNISTON AL 362	ANNISTON AL 362	ANNISTON AL 362. ^D
363	DOTHAN AL 363	DOTHAN AL 363	DOTHAN AL 363. ^D
364	EVERGREEN AL 364	EVERGREEN AL 364	EVERGREEN 364. ^D
365	MOBILE AL 365	MOBILE AL 365	SCF MOBILE AL 365.
366	MOBILE AL 366 ^U	MOBILE AL 366	SCF MOBILE AL 365.
367	MONTGOMERY AL 367	MONTGOMERY AL 367	SCF MONTGOMERY AL 360.
368	MONTGOMERY AL 368	MONTGOMERY AL 368	SCF MONTGOMERY AL 360.
369	MERIDIAN MS 369	JACKSON MS 393 ^S	SCF MERIDIAN MS 393.
		SCHEME B	
370	NASHVILLE TN 370	NASHVILLE TN 370	SCF NASHVILLE TN 370.
371	NASHVILLE TN 371	NASHVILLE TN 371	SCF NASHVILLE TN 370.
372	NASHVILLE TN 372 ^U	NASHVILLE TN 372	SCF NASHVILLE TN 370.
373	CHATTANOOGA TN 373	CHATTANOOGA TN 373	SCF CHATTANOOGA TN 373.
374	CHATTANOOGA TN 374 ^U	CHATTANOOGA TN 374	SCF CHATTANOOGA TN 373.
375	MEMPHIS TN 375	MEMPHIS TN 375	SCF MEMPHIS TN 380.
376	JOHNSON CITY TN 376	JOHNSON CITY TN 376	JOHNSON CITY TN 376. ^D
377	KNOXVILLE TN 377	KNOXVILLE TN 377 ^S	SCF KNOXVILLE TN 377.
378	KNOXVILLE TN 378	KNOXVILLE TN 377 ^S	SCF KNOXVILLE TN 377.
379	KNOXVILLE TN 379 ^U	KNOXVILLE TN 377 ^S	SCF KNOXVILLE TN 377.
380	MEMPHIS TN 380	MEMPHIS TN 380	SCF MEMPHIS TN 380.
381	MEMPHIS TN 381 ^U	MEMPHIS TN 381	SCF MEMPHIS TN 380.
382	MCKENZIE TN 382	MCKENZIE TN 382	MCKENZIE TN 382. ^D
383	JACKSON TN 383	JACKSON TN 383	JACKSON TN 383. ^D
384	COLUMBIA TN 384	COLUMBIA TN 384	COLUMBIA TN 384. ^D
385	COOKEVILLE TN 385	COOKEVILLE TN 385	COOKEVILLE TN 385. ^D
386	MEMPHIS TN 386	MEMPHIS TN 386	SCF MEMPHIS TN 380.
387	GREENVILLE MS 387	GREENVILLE MS	GREENVILLE MS 387. ^D
388	TUPELO MS 388	TUPELO MS 388	TUPELO MS 388. ^D
389	GRENADA MS 389	GRENADA MS 389	GRENADA MS 389. ^D
390	JACKSON MS 390	JACKSON MS 390 ^S	SCF JACKSON MS 390.
		SCHEME A	

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label con- tainer to	Column C For SCF destinations, label container to
391	JACKSON MS 391	JACKSON MS 390 ^S	SCF JACKSON MS 390.
392	JACKSON MS 392 ^U	SCHEME A	SCF JACKSON MS 390.
393	MERIDIAN MS 393	JACKSON MS 392	SCF JACKSON MS 390.
		JACKSON MS 393 ^S	SCF MERIDIAN MS 393.
		SCHEME B	
394	HATTIESBURG MS 394	HATTIESBURG MS 394	HATTIESBURG MS 394. ^D
395	GULFPORT MS 395	GULFPORT MS 395	GULFPORT MS 395. ^D
396	MCCOMB MS 396	MCCOMB MS 396	MCCOMB MS 396. ^D
397	COLUMBUS MS 397	COLUMBUS MS 397	COLUMBUS MS 397. ^D
398 ^X			
399	ATLANTA GA 399	ATLANTA GA 303 ^S	SCF ATLANTA GA 303.
400	LOUISVILLE KY 400	LOUISVILLE KY 400 ^S	SCF LOUISVILLE KY 400.
401	LOUISVILLE KY 401	LOUISVILLE KY 400 ^S	SCF LOUISVILLE KY 400.
402	LOUISVILLE KY 402 ^U	LOUISVILLE KY 402	SCF LOUISVILLE KY 400.
403	LEXINGTON KY 403	LEXINGTON KY 403	SCF LEXINGTON KY 403.
404	LEXINGTON KY 404	LEXINGTON KY 404	SCF LEXINGTON KY 403.
405	LEXINGTON KY 405 ^U	LEXINGTON KY 405	SCF LEXINGTON KY 403.
406	FRANKFORT KY 406 ^U	FRANKFORT KY 406	SCF LEXINGTON KY 403.
407	LONDON KY 407	LONDON KY 407	SCF LONDON KY 407.
408	LONDON KY 408	LONDON KY 408	SCF LONDON KY 407.
409	LONDON KY 409	LONDON KY 409	SCF LONDON KY 407.
410	CONCINNATI OH 410	CINCINNATI OH 410 ^S	SCF CONCINNATI OH 450.
		SCHEME A	
411	ASHLAND KY 411	ASHLAND KY 411	SCF ASHLAND KY 411.
412	ASHLAND KY 412	ASHLAND KY 412	SCF ASHLAND KY 411.
413	CAMPTON KY 413	CAMPTON KY 413	SCF CAMPTON KY 413.
414	CAMPTON KY 414	CAMPTON KY 414	SCF CAMPTON KY 413.
415	PIKEVILLE KY 415	PIKEVILLE KY 415	SCF PIKEVILLE KY 415.
416	PIKEVILLE KY 416	PIKEVILLE KY 416	SCF PIKEVILLE KY 415.
417	HAZARD KY 417	HAZARD KY 417	SCF HAZARD KY 417.
418	HAZARD KY 418	HAZARD KY 418	SCF HAZARD KY 417.
419 ^X			
420	PADUCAH KY 420	PADUCAH KY 420	PADUCAH KY 420. ^D
421	BOWLING GREEN KY 421	BOWLING GREEN KY 421	SCF BOWLING GREEN KY 421.
422	BOWLING GREEN KY 422	BOWLING GREEN KY 422	SCF BOWLING GREEN KY 421.
423	OWENSBORO KY 423	OWENSBORO KY 423	OWENSBORO KY 423. ^D
424	EVANSVILLE IN 424	EVANSVILLE IN 424	SCF EVANSVILLE IN 476.
425	SOMERSET KY 425	SOMERSET KY 425	SCF SOMERSET KY 425.
426	SOMERSET KY 426	SOMERSET KY 426	SCF SOMERSET KY 426.
427	ELIZABETHTOWN KY 427	ELIZABETHTOWN KY 427	ELIZABETHTOWN KY 427. ^D
428 ^X			
429 ^X			
430	COLUMBUS OH 430	COLUMBUS OH 430 ^S	SCF COLUMBUS OH 430.
		SCHEME A	
431	COLUMBUS OH 431	COLUMBUS OH 430 ^S	SCF COLUMBUS OH 430.
		SCHEME A	
432	COLUMBUS OH 432 ^U	COLUMBUS OH 432	SCF COLUMBUS OH 430.
433	COLUMBUS OH 433	COLUMBUS OH 430 ^S	SCF COLUMBUS OH 430.
		SCHEME A	
434	TOLEDO OH 434	TOLEDO OH 434 ^S	SCF TOLEDO OH 434.
435	TOLEDO OH 435	TOLEDO OH 434 ^S	SCF TOLEDO OH 434.
436	TOLEDO OH 436 ^U	TOLEDO OH 434 ^S	SCF TOLEDO OH 434.
437	ZANESVILLE OH 437	COLUMBUS OH 437 ^S	SCF ZANESVILLE OH 437.
		SCHEME B	
438	ZANESVILLE OH 438	COLUMBUS OH 437 ^S	SCF ZANESVILLE OH 437.
		SCHEME B	
439	STEUBENVILLE OH 439	STEUBENVILLE OH 439	STEUBENVILLE OH 439. ^D
440	CLEVELAND OH 440	CLEVELAND OH 440	SCF CLEVELAND OH 440.
441	CLEVELAND OH 441 ^U	CLEVELAND OH 441	SCF CLEVELAND OH 440.
442	AKRON OH 442	AKRON OH 442 ^S	SCF AKRON OH 442.
443	AKRON OH 443 ^U	AKRON OH 442 ^S	SCF AKRON OH 442.
444	YOUNGSTOWN OH 444	YOUNGSTOWN OH 444 ^S	SCF YOUNGSTOWN OH 444.
445	YOUNGSTOWN OH 445 ^U	YOUNGSTOWN OH 444 ^S	SCF YOUNGSTOWN OH 444.
446	CANTON OH 446	CANTON OH 446 ^S	SCF CANTON OH 446.
447	CANTON OH 447 ^U	CANTON OH 446 ^S	SCF CANTON OH 446.
448	MANSFIELD OH 448	MANSFIELD OH 448	SCF MANSFIELD OH 448.
449	MANSFIELD OH 449 ^U	MANSFIELD OH 449	SCF MANSFIELD OH 448.
450	CINCINNATI OH 450	CINCINNATI OH 450 ^S	SCF CINCINNATI OH 450.
		SCHEME B	
451	CINCINNATI OH 451	CINCINNATI OH 450 ^S	SCF CINCINNATI OH 450.
		SCHEME B	
452	CINCINNATI OH 452 ^U	CINCINNATI OH 452	SCF CINCINNATI OH 450.

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
453	DAYTON OH 453	DAYTON OH 453	SCF DAYTON OH 453.
454	DAYTON OH 454 ^U	DAYTON OH 454	SCF DAYTON OH 453.
455	SPRINGFIELD OH 455 ^U	SPRINGFIELD OH 455	SCF DAYTON OH 453.
456	CHILLICOTHE OH 456	CILICOTHE OH 456	CHILLICOTHE OH 456. ^D
457	ATHENS OH 457	ATHENS OH 457	ATHENS OH 457. ^D
458	LIMA OH 458	LIMA OH 458	LIMA OH 458. ^D
459	CINCINNATI OH 459	CINCINNATI OH 459	SCF CINCINNATI OH 450.
460	INDIANAPOLIS IN 460	INDIANAPOLIS IN 460	SCF INDIANAPOLIS IN 460.
461	INDIANAPOLIS IN 461	INDIANAPOLIS IN 461	SCF INDIANAPOLIS IN 460.
462	INDIANAPOLIS IN 462 ^U	INDIANAPOLIS IN 462	SCF INDIANAPOLIS IN 460.
463	GARY IN 463	GARY IN 463 ^S	SCF GARY IN 463.
464	GARY IN 464 ^U	GARY IN 463 ^S	SCF GARY IN 463.
465	SOUTH BEND IN 465	SOUTH BEND IN 465 ^S	SCF SOUTH BEND IN 465.
466	SOUTH BEND IN 466 ^U	SOUTH BEND IN 465 ^S	SCF SOUTH BEND IN 465.
467	FORT WAYNE IN 467	FORT WAYNE IN 467	SCF FORT WAYNE IN 467.
468	FORT WAYNE IN 468 ^U	FORT WAYNE IN 468	SCF FORT WAYNE IN 467.
469	KOKOMO IN 469	KOKOMO 469	KOKOMO 469. ^D
470	CINCINNATI OH 470	CINCINNATI OH 410 ^S	SCF CINCINNATI OH 450.
		SCHEME A	
471	LOUISVILLE KY 471	LOUISVILLE KY 400 ^S	SCF LOUISVILLE KY 400.
472	COLUMBUS IN 472	COLUMBUS IN 472	COLUMBUS IN 472. ^D
473	MUNCIE IN 473	MUNCIE IN 473	MUNCIE IN 473. ^D
474	BLOOMINGTON IN 474	BLOOMINGTON IN 474	BLOOMINGTON IN 474. ^D
475	WASHINGTON IN 475	WASHINGTON IN 475	WASHINGTON IN 475. ^D
476	EVANSVILLE IN 476	EVANSVILLE IN 476	SCF EVANSVILLE IN 476.
477	EVANSVILLE IN 477 ^U	EVANSVILLE IN 477	SCF EVANSVILLE IN 476.
478	TERRE HAUTE IN 478	TERRE HAUTE IN 478	TERRE HAUTE IN 478. ^D
479	LAFAYETTE IN 479	LAFAYETTE IN 479	LAFAYETTE IN 479. ^D
480	ROYAL OAK MI 480	ROYAL OAK MI 480	SCF ROYAL OAK MI 480.
481	DETROIT MI 481	DETROIT MI 481	SCF DETROIT MI 481.
482	DETROIT MI 482 ^U	DETROIT MI 482	SCF DETROIT MI 481.
483	ROYAL OAK MI 483	ROYAL OAK MI 483	SCF ROYAL OAK MI 480.
484	FLINT MI 484	FLINT MI 484 ^S	SCF FLINT MI 484.
485	FLINT MI 485 ^U	FLINT MI 484 ^S	SCF FLINT MI 484.
486	SAGINAW MI 486	SAGINAW MI 486 ^S	SCF SAGINAW MI 486.
487	SAGINAW MI 487	SAGINAW MI 486 ^S	SCF SAGINAW MI 486.
488	LANSING MI 488	LANSING MI 488	SCF LANSING MI 488.
489	LANSING MI 489 ^U	LANSING MI 489	SCF LANSING MI 488.
490	KALAMAZOO MI 490	KALAMAZOO MI 490 ^S	SCF KALAMAZOO MI 490.
491	KALAMAZOO MI 491	KALAMAZOO MI 490 ^S	SCF KALAMAZOO MI 490.
492	JACKSON MI 492	JACKSON MI 492	JACKSON MI 492. ^D
493	GRAND RAPIDS MI 493	GRAND RAPIDS MI 493	SCF GRAND RAPIDS MI 493.
494	GRAND RAPIDS MI 494	GRAND RAPIDS MI 494	SCF GRAND RAPIDS MI 493.
495	GRAND RAPIDS MI 495 ^U	GRAND RAPIDS MI 495	SCF GRAND RAPIDS MI 493.
496	TRAVERSE CITY MI 496	TRAVERSE CITY MI 496	TRAVERSE CITY MI 496. ^D
497	GAYLORD MI 497	GAYLORD MI 497	GAYLORD MI 497. ^D
498	IRON MOUNTAIN MI 498	IRON MOUNTAIN MI 498 ^S	SCF IRON MOUNTAIN MI 498.
499	IRON MOUNTAIN MI 499 ^S	IRON MOUNTAIN MI 498 ^S	SCF IRON MOUNTAIN MI 498.
500	DES MOINES IA 500	DES MOINES IA 500 ^S	SCF DES MOINES IA 500.
		SCHEME A	
501	DES MOINES IA 501	DES MOINES IA 500 ^S	SCF DES MOINES IA 500.
		SCHEME A	
502	DES MOINES IA 502	DES MOINES IA 500 ^S	SCF DES MOINES IA 500.
		SCHEME A	
503	DES MOINES IA 503 ^U	DES MOINES IA 503 ^S	SCF DES MOINES IA 500.
		SCHEME B	
504	MASON CITY IA 504	MASON CITY IA 504	MASON CITY IA 504. ^D
505	FORT DODGE IA 505	FORT DODGE IA 505	FORT DODGE IA 505. ^D
506	WATERLOO IA 506	WATERLOO IA 506	SCF WATERLOO IA 506.
507	WATERLOO IA 507 ^U	WATERLOO IA 507	SCF WATERLOO IA 506.
508	CRESTON IA 508	CRESTON IA 508	CRESTON IA 508. ^D
509	DES MOINES IA 509	DES MOINES IA 503 ^S	SCF DES MOINES IA 500.
		SCHEME B	
510	SIoux CITY IA 510	SIoux CITY IA 510	SCF SIoux CITY IA 510.
511	SIoux CITY IA 511 ^U	SIoux CITY IA 511	SCF SIoux CITY IA 510.
512	SHELDON IA 512	SHELDON IA 512	SHELDON IA 512. ^D
513	SPENCER IA 513	SPENCER IA 513	SPENCER IA 513. ^D
514	CARROLL IA 514	CARROLL IA 514	CARROLL IA 514. ^D
515	OMAHA NE 515	OMAHA NE 680 ^S	SCF OMAHA NE 680.
516	OMAHA NE 516	OMAHA NE 680 ^S	SCF OMAHA NE 680.
517 ^X			
518 ^X			

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
519 ^x			
520	DUBUQUE IA 520	DUBUQUE IA 520	DUBUQUE IA 520. ^D
521	DECORAH IA 521	DECORAH IA 521	DECORAH IA 521. ^D
522	CEDAR RAPIDS IA 522	CEDAR RAPIDS IA 522 ^s	SCF CEDAR RAPIDS IA 522.
523	CEDAR RAPIDS IA 523	CEDAR RAPIDS IA 522 ^s	SCF CEDAR RAPIDS IA 522.
524	CEDAR RAPIDS IA 524 ^U	CEDAR RAPIDS IA 524	SCF CEDAR RAPIDS IA 522.
525	OTTUMWA IA 525	OTTUMWA IA 525	OTTUMWA IA 525. ^D
526	BURLINGTON IA 526	BURLINGTON IA 526	BURLINGTON IA 526. ^D
527	ROCK ISLAND IL 527	ROCK ISLAND IL 612 ^s	SCF ROCK ISLAND IL 612.
528	DAVENPORT IA 528 ^U	ROCK ISLAND IL 612 ^s	SCF ROCK ISLAND IL 612.
529 ^x			
530	MILWAUKEE WI 530	MILWAUKEE WI 530	SCF MILWAUKEE WI 530.
531	MILWAUKEE WI 531	MILWAUKEE WI 531	SCF MILWAUKEE WI 530.
532	MILWAUKEE WI 532 ^U	MILWAUKEE WI 532	SCF MILWAUKEE WI 530.
533 ^x			
534	RACINE WI 534 ^U	RACINE WI 534	SCF MILWAUKEE WI 530.
535	MADISON WI 535	MADISON WI 535 ^s	SCF MADISON WI 535.
536 ^x			
537	MADISON WI 537 ^U	MADISON WI 537	SCF MADISON WI 535.
538	MADISON WI 538	MADISON WI 535 ^s	SCF MADISON WI 535.
539	PORTAGE WI 539	PORTAGE WI 539	PORTAGE WI 539. ^D
540	ST PAUL MN 540	ST PAUL MN 550 ^s	SCF ST PAUL MN 550.
541	GREEN BAY WI 541	GREEN BAY WI 541 ^s	SCF GREEN BAY WI 541.
542	GREEN BAY WI 542	GREEN BAY WI 541 ^s	SCF GREEN BAY WI 541.
543	GREEN BAY WI 543 ^U	GREEN BAY WI 543	SCF GREEN BAY WI 541.
544	WAUSAU WI 544	WAUSAU WI 544	WAUSAU WI 544. ^D
545	RHINELANDER WI 545	RHINELANDER WI 545	RHINELANDER WI 545. ^D
546	LA CROSSE WI 546	LA CROSSE WI 546	LA CROSSE WI 546. ^D
547	EAU CLAIRE WI 547	EAU CLAIRE WI 547	EAU CLAIRE WI 547. ^D
548	SPOONER WI 548	SPOONER WI 548	SPOONER WI 548. ^D
549	OSHKOSH WI 549	OSHKOSH WI 549	OSHKOSH WI 549. ^D
550	ST PAUL MN 550	ST PAUL MN 550 ^s	SCF ST PAUL MN 550.
551	ST PAUL MN 551 ^U	ST PAUL MN 551	SCF ST PAUL MN 550.
552 ^x			
553	MINNEAPOLIS MN 553	MINNEAPOLIS MN 553	SCF MINNEAPOLIS MN 553.
554	MINNEAPOLIS MN 554 ^U	MINNEAPOLIS MN 554	SCF MINNEAPOLIS MN 553.
555	MINNEAPOLIS MN 555	MINNEAPOLIS MN 555	SCF MINNEAPOLIS MN 553.
556	DULUTH MN 556	DULUTH MN 556	SCF DULUTH MN 556.
557	DULUTH MN 557	DULUTH MN 557	SCF DULUTH MN 556.
558	DULUTH MN 558 ^U	DULUTH MN 558	SCF DULUTH MN 556.
559	ROCHESTER MN 559	ROCHESTER MN 559	ROCHESTER MN 559. ^D
560	MANKATO MN 560	MANKATO MN 560	MANKATO MN 560. ^D
561	WINDOM MN 561	WINDOM MN 561	WINDOM MN 561. ^D
562	WILLMAR MN 562	WILLMAR MN 562	WILLMAR MN 562. ^D
563	ST CLOUD MN 563	ST CLOUD MN 563	ST CLOUD MN 563. ^D
564	BRAINERD MN 564	BRAINERD MN 564	BRAINERD MN 564. ^D
565	DETROIT LAKES MN 565	DETROIT LAKES MN 565	DETROIT LAKES MN 565. ^D
566	BEMIDJI MN 566	BEMIDJI MN 566	BEMIDJI MN 566. ^D
567	THIEF RIVER FALLS MN 567	THIEF RIVER FALLS MN 567	THIEF RIVER FALLS MN 567. ^D
568 ^x			
569 ^x			
570	SIOUX FALLS SD 570	SIOUX FALLS SD 570	SCF SIOUX FALLS SD 570.
571	SIOUX FALLS SD 571 ^U	SIOUX FALLS SD 571	SCF SIOUX FALLS SD 570.
572	DAKOTA CENTRAL SD 572	DAKOTA CENTRAL SD 572	SCF DAKOTA CENTRAL SD 572.
573	DAKOTA CENTRAL SD 573	DAKOTA CENTRAL SD 573	SCF DAKOTA CENTRAL SD 572.
574	ABERDEEN SD 574	ABERDEEN SD 574	ABERDEEN SD 574. ^D
575	PIERRE SD 575	PIERRE SD 575	PIERRE SD 575. ^D
576	MOBRIDGE SD 576	MOBRIDGE SD 576	MOBRIDGE SD 576. ^D
577	RAPID CITY SD 577	RAPID CITY SD 577	RAPID CITY SD 577. ^D
578 ^x			
579 ^x			
580	FARGO ND 580	FARGO ND 580	SCF FARGO ND 580.
581	FARGO ND 581	FARGO ND 581	SCF FARGO ND 580.
582	GRAND FORKS ND 582	GRAND FORKS ND 582	GRAND FORKS ND 582. ^D
583	DEVILS LAKE ND 583	DEVILS LAKE ND 583	DEVILS LAKE ND 583. ^D
584	JAMESTOWN ND 584	JAMESTOWN ND 584	JAMESTOWN ND 584. ^D
585	BISMARCK ND 585	BISMARCK ND 585	BISMARCK ND 585. ^D
586	DICKINSON ND 586	DICKINSON ND 586	DICKINSON ND 586. ^D
587	MINOT ND 587	MINOT ND 587	MINOT ND 587. ^D
588	WILLISTON ND 588	WILLISTON ND 588	WILLISTON ND 588. ^D
589 ^x			
590	BILLINGS MT 590	BILLINGS MT 590 ^s	SCF BILLINGS MT 590.

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
591	BILLINGS MT 591 ^U	BILLINGS MT 590 ^S	SCF BILLINGS MT 590.
592	WOLF POINT MT 592	BILLINGS MT 590 ^S	WOLF POINT MT 592. ^D
593	MILES CITY MT 593	BILLINGS MT 590 ^S	MILES CITY MT 593. ^D
594	GREAT FALLS MT 594	BILLINGS MT 590 ^S	GREAT FALLS MT 594. ^D
595	HAVRE MT 595	BILLINGS MT 590 ^S	HAVRE MT 595. ^D
596	HELENA MT 596	BILLINGS MT 590 ^S	HELENA MT 596. ^D
597	BUTTE MT 597	BILLINGS MT 590 ^S	BUTTE MT 597. ^D
598	MISSOULA MT 598	BILLINGS MT 590 ^S	MISSOULA MT 598. ^D
599	KALISPELL MT 599	BILLINGS MT 590 ^S	KALISPELL MT 599. ^D
600	PALATINE IL 600	PALATINE IL 600 ^S	SCF PALATINE IL 600.
601	CAROL STREAM IL 601	CAROL STREAM IL 601 ^S	SCF CAROL STREAM IL 601.
602	EVANSTON IL 602 ^U	PALATINE IL 600 ^S	SCF PALATINE IL 600.
603	OAK PARK IL 603 ^U	CAROL STREAM IL 601 ^S	SCF CAROL STREAM IL 601.
604	SOUTH SUBURBAN IL 604	SOUTH SUBURBAN IL 604	SOUTH SUBURBAN IL 604. ^D
605	FOX VALLEY IL 605	FOX VALLEY IL 605	FOX VALLEY IL 605. ^D
606	CHICAGO IL 606 ^U	CHICAGO IL 606	SCF CHICAGO IL 606.
607	CHICAGO IL 607	CHICAGO IL 607	SCF CHICAGO IL 606.
608	CHICAGO IL 608	CHICAGO IL 608	SCF CHICAGO IL 606.
609	KANKAKEE IL 609	KANKAKEE IL 609	KANKAKEE IL 609. ^D
610	ROCKFORD IL 610	ROCKFORD IL 610 ^S	SCF ROCKFORD IL 610.
611	ROCKFORD IL 611 ^U	ROCKFORD IL 610 ^S	SCF ROCKFORD IL 610.
612	ROCK ISLAND IL 612	ROCK ISLAND IL 612 ^S	SCF ROCK ISLAND IL 612.
613	LA SALLE IL 613	LA SALLE IL 613	LA SALLE IL 613. ^D
614	GALESBURG IL 614	GALESBURG IL 614	GALESBURG IL 614. ^D
615	PEORIA IL 615	PEORIA IL 615 ^S	SCF PEORIA IL 615.
616	PEORIA IL 616 ^U	PEORIA IL 615 ^S	SCF PEORIA IL 615.
617	BLOOMINGTON IL 617	BLOOMINGTON IL 617	BLOOMINGTON IL 617. ^D
618	CHAMPAIGN IL 618	CHAMPAIGN IL 618 ^S	SCF CHAMPAIGN IL 618.
619	CHAMPAIGN IL 619	CHAMPAIGN IL 618 ^S	CHAMPAIGN IL 618.
620	ST LOUIS MO 620	ST LOUIS MO 630 ^S	SCF ST LOUIS MO 630.
621 ^X	ST LOUIS MO 622	ST LOUIS MO 630 ^S	SCF ST LOUIS MO 630.
622	QUINCY IL 623	QUINCY IL 623	QUINCY IL 623.
623	EFFINGHAM IL 624	EFFINGHAM IL 624	EFFINGHAM IL 624. ^D
624	SPRINGFIELD IL 625	SPRINGFIELD IL 625	SCF SPRINGFIELD IL 625.
625	SPRINGFIELD IL 626	SPRINGFIELD IL 626	SCF SPRINGFIELD IL 625.
626	SPRINGFIELD IL 627 ^U	SPRINGFIELD IL 627	SCF SPRINGFIELD IL 625.
627	CENTRALIA IL 628	CENTRALIA IL 628	CENTRALIA IL 628. ^D
628	CARBONDALE IL 629	CARBONDALE IL 629	CARBONDALE IL 629. ^D
629	ST LOUIS MO 630	ST LOUIS MO 630 ^S	SCF ST LOUIS MO 630.
630	ST LOUIS MO 631 ^U	ST LOUIS MO 631	SCF ST LOUIS MO 630.
631 ^X	ST LOUIS MO 633	ST LOUIS MO 630 ^S	SCF ST LOUIS MO 630.
632 ^X	QUINCY IL 634	QUINCY IL 634	SCF QUINCY IL 623.
633	QUINCY IL 635	QUINCY IL 635	SCF QUINCY IL 623.
634	CAPE GIRARDEAU MO 636	CAPE GIRARDEAU MO 636	SCF CAPE GIRARDEAU MO 637.
635	CAPE GIRARDEAU MO 637	CAPE GIRARDEAU MO 637	SCF CAPE GIRARDEAU MO 637.
636	CAPE GIRARDEAU MO 638	CAPE GIRARDEAU MO 638	SCF CAPE GIRARDEAU MO 637.
637	CAPE GIRARDEAU MO 639	CAPE GIRARDEAU MO 639	SCF CAPE GIRARDEAU MO 637.
638	KANSAS CITY MO 640	KANSAS CITY MO 640	SCF KANSAS CITY MO 640.
639	KANSAS CITY MO 641 ^U	KANSAS CITY MO 641	SCF KANSAS CITY MO 640.
640	ST JOSEPH MO 644	ST JOSEPH MO 644	SCF ST JOSEPH MO 644.
641 ^X	ST JOSEPH MO 645 ^U	ST JOSEPH MO 645	SCF ST JOSEPH MO 644.
642 ^X	CHILLICOTHE MO 646	CHILLICOTHE MO 646	CHILLICOTHE MO 646. ^D
643 ^X	HARRISONVILLE MO 647	HARRISONVILLE MO 647	HARRISONVILLE MO 647. ^D
644	SPRINGFIELD MO 648	SPRINGFIELD MO 648	SCF SPRINGFIELD MO 656.
645	KANSAS CITY MO 649	KANSAS CITY MO 649	SCF KANSAS CITY MO 640.
646	MID-MISSOURI MO 650	MID-MISSOURI MO 650	SCF MID-MISSOURI MO 650.
647	JEFFERSON CITY MO 651 ^U	JEFFERSON CITY MO 651	SCF MID-MISSOURI MO 650.
648	MID-MISSOURI MO 652	MID-MISSOURI MO 652	SCF MID-MISSOURI MO 650.
649	MID-MISSOURI MO 653	MID-MISSOURI MO 653	SCF MID-MISSOURI MO 650.
650	SPRINGFIELD MO 654	SPRINGFIELD MO 654 ^S	SCF SPRINGFIELD MO 656.
651	SPRINGFIELD MO 655	SCHEME A SPRINGFIELD MO 654 ^S	SCF SPRINGFIELD MO 656.
652	SPRINGFIELD MO 656	SCHEME A SPRINGFIELD MO 656 ^S	SCF SPRINGFIELD MO 656.
653	SPRINGFIELD MO 657	SCHEME B SPRINGFIELD MO 656 ^S	SCF SPRINGFIELD MO 656.
654	SPRINGFIELD MO 658 ^U	SCHEME B SPRINGFIELD MO 658	SCF SPRINGFIELD MO 656.

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
659 ^x			
660	KANSAS CITY KS 660	KANSAS CITY KS 660	SCF KANSAS CITY KS 660.
661	KANSAS CITY KS 661 ^U	KANSAS CITY KS 661	SCF KANSAS CITY KS 660.
662	SHAWNEE MISSION KS 662 ^U	SHAWNEE MISSION KS 662	SCF SHAWNEE MISSION KS 662.
633 ^x			
664	TOPEKA KS 664	TOPEKA KS 664	SCF TOPEKA KS 664. ⁴
665	TOPEKA KS 665 ^U	TOPEKA KS 665	SCF TOPEKA KS 664.
666	TOPEKA KS 666	TOPEKA KS 666	SCF TOPEKA KS 664.
667	FT SCOTT KS 667	FT SCOTT KS 667	FT SCOTT KS 667. ^D
668	TOPEKA KS 668	TOPEKA KS 668	SCF TOPEKA KS 664.
669	SALINA KS 669	SALINA KS 669	SCF SALINA KS 674.
670	WICHITA KS 670	WICHITA KS 670 ^S	SCF WICHITA KS 670.
671	WICHITA KS 671	WICHITA KS 670 ^S	SCF WICHITA KS 670.
672	WICHITA KS 672 ^U	WICHITA KS 672	SCF WICHITA KS 670.
673	INDEPENDENCE KS 673	INDEPENDENCE KS 673	INDEPENDENCE KS 673. ^D
674	SALINA KS 674	SALINA KS 674	SCF SALINA KS 674.
675	HUTCHINSON KS 675	HUTCHINSON KS 675	HUTCHINSON KS 675. ^D
676	HAYS KS 676	HAYS KS 676	HAYS KS 676. ^D
677	COLBY KS 677	COLBY KS 677	COLBY KS 677. ^D
678	DODGE CITY KS 678	DODGE CITY KS 678	DODGE CITY KS 678. ^D
679	LIBERAL KS 679	LIBERAL KS 679	SCF LIBERAL KS 679.
680	OMAHA NE 680	OMAHA NE 680 ^S	SCF OMAHA NE 680.
681	OMAHA NE 681 ^U	OMAHA NE 681	SCF OMAHA NE 680.
682 ^x			
683	LINCOLN NE 683	LINCOLN NE 683	SCF LINCOLN NE 683.
684	LINCOLN NE 684	LINCOLN NE 684	SCF LINCOLN NE 683.
685	LINCOLN 685 ^U	LINCOLN 685	SCF LINCOLN 683.
686	NORFOLK NE 686	NORFOLK NE 686	SCF NORFOLK NE 687.
687	NORFOLK NE 687	NORFOLK NE 687	SCF NORFOLK NE 687.
688	GRAND ISLAND 688	GRAND ISLAND 688	SCF GRAND ISLAND 688.
689	GRAND ISLAND 689	GRAND ISLAND 689	SCF GRAND ISLAND 688.
690	MCCOOK NE 690	MCCOOK NE 690	MCCOOK NE 690. ^D
691	NORTH PLATTE NE 691	NORTH PLATTE NE 691	NORTH PLATTE NE 691. ^D
692	VALENTINE NE 692	VALENTINE NE 692	SCF BATON ROUGE LA 707.
693	ALLIANCE NE 693.	ALLIANCE NE 693.	SCF BATON ROUGE LA 707.
694 ^x			
695 ^x			
696 ^x			
697 ^x			
698 ^x			
699 ^x			
700	NEW ORLEANS LA 700	NEW ORLEANS LA 700	SCF NEW ORLEANS LA 700.
701	NEW ORLEANS LA 701 ^U	NEW ORLEANS LA 701	SCF NEW ORLEANS LA 700.
701			
702 ^x			
703 ^x	HOUMA LA 703	HOUMA LA 703	HOUMA LA 703. ^D
704	MANDEVILLE LA 704	MANDEVILLE LA 704	MANDEVILLE LA 704. ^D
705	LAFAYETTE LA 705	LAFAYETTE LA 705	LAFAYETTE LA 705. ^D
706	LAKE CHARLES LA 706	LAKE CHARLES LA 706	LAKE CHARLES LA 706. ^D
707	BATON ROUGE LA 707	BATON ROUGE LA 707	SCF BATON ROUGE LA 707.
708	BATON ROUGE LA 708 ^U	BATON ROUGE LA 708	SCF BATON ROUGE LA 707.
709 ^x			
710	SHREVEPORT LA 710	SHREVEPORT LA 710 ^S	SCF SHREVEPORT LA 710.
		SCHEME A	
711	STREVEPORT LA 711	STREVEPORT LA 710 ^S	SCF STREVEPORT LA 710.
		SCHEME A	
712	MONROE LA 712	MONROE LA 712	MONROE LA 712. ^D
713	ALEXANDRIA LA 713	SHREVEPORT LA 713 ^S	SCF ALEXANDRIA LA 713.
		SCHEME B	
714	ALEXANDRIA LA 714	SHREVEPORT LA 713 ^S	SCF ALEXANDRIA LA 713.
		SCHEME B	
715 ^x			
716	PINE BLUFF AR 716	PINE BLUFF AR 716	PINE BLUFF AR 716. ^D
717	CAMDEN AR 717	CAMDEN AR 717	CAMDEN AR 717. ^D
718	TEXARKANA TX 718	TEXARKANA TX 718	SCF TEXARKANA TX 755.
719	HOT SPRINGS NTL PK AR 719	HOT SPRINGS NTL PK AR 719	HOT SPRINGS NTL PK AR 719. ^D
720	LITTLE ROCK AR 720	LITTLE ROCK AR 720	SCF LITTLE ROCK AR 720.
721	LITTLE ROCK AR 721	LITTLE ROCK AR 721	SCF LITTLE ROCK AR 720.
722	LITTLE ROCK AR 722 ^U	LITTLE ROCK AR 722	SCF LITTLE ROCK AR 720.
723	MEMPHIS TN 723	MEMPHIS TN 723	SCF MEMPHIS TN 380.
724	JONESBORO AR 724	JONESBORO AR 724	JONESBORO AR 724. ^D
725	BATESVILLE AR 725	BATESVILLE AR 725	BATESVILLE AR 725. ^D

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
726	HARRISON AR 726	HARRISON AR 726	HARRISON AR 726. ^D
727	FAYETTEVILLE AR 727	FAYETTEVILLE AR 727	FAYETTEVILLE AR 727. ^D
728	RUSSELLVILLE AR 728	RUSSELLVILLE AR 728	RUSSELLVILLE AR 728. ^D
729	FORT SMITH 729	FORT SMITH 729	FORT SMITH 729. ^D
730	OKLAHOMA CITY OK 730	OKLAHOMA CITY OK 730	SCF OKLAHOMA CITY OK 730.
731	OKLAHOMA CITY OK 731 ^U	OKLAHOMA CITY OK 731	SCF OKLAHOMA CITY OK 730.
732 ^x			
733	AUSTIN TX 733	AUSTIN TX 733	SCF AUSTIN TX 786.
734	ARDMORE OK 734	ARDMORE OK 734	ARDMORE OK 734. ^D
735	LAWTON OK 735	LAWTON OK 735	LAWTON OK 735. ^D
736	CLINTON OK 736	CLINTON OK 736	CLINTON OK 736. ^D
737	ENID OK 737	ENID OK 737	ENID OK 737. ^D
738	WOODWARD OK 738	WOODWARD OK 738	WOODWARD OK 738. ^D
739	LIBERAL KS 739	LIBERAL KS 739	SCF LIBERAL KS 679.
740	TULSA OK 740	TULSA OK 740	SCF TULSA OK 740.
741	TULSA OK 741 ^U	TULSA OK 741	SCF TULSA OK 740.
742 ^x			
743	TULSA OK 743	TULSA OK 743	SCF TULSA OK 740.
744	MUSKOGEE OK 744	MUSKOGEE OK 744	MUSKOGEE OK 744. ^D
745	MCALESTER OK 745	MCALESTER OK 745	LCALESTER OK 745. ^D
746	PONCA CITY OK 746	PONCA CITY OK 746	PONCA CITY OK 746. ^D
747	DURANT OK 747	DURANT OK 747	DURANT OK 747. ^D
748	SHAWNEE OK 748	SHAWNEE OK 748	SHAWNEE OK 748. ^D
749	POTEAU OK 749	POTEAU OK 749	POTEAU OK 749. ^D
750	NORTH TEXAS TX 750	NORTH TEXAS TX 750	NORTH TEXAS TX 750. ^D
751	DALLAS TX 751	DALLAS TX 751	SCF DALLAS TX 752.
752	DALLAS TX 752 ^U	DALLAS TX 752 ^s	SCF DALLAS TX 752.
753	DALLAS TX 753 ^U	DALLAS TX 752 ^s	SCF DALLAS TX 752.
754	GREENVILLE TX 754	GREENVILLE TX 754	GREENVILLE TX 754. ^D
755	TEXARKANA TX 755	TEXARKANA TX 755	SCF TEXARKANA TX 755.
756	LONGVIEW TX 756	LONGVIEW TX 756	LONGVIEW TX 756. ^D
757	TYLER TX 757	TYLER TX 757	TYLER TX 757. ^D
758	PALESTINE TX 758	PALESTINE TX 758	PALESTINE TX 758. ^D
759	LUFKIN TX 759	LUFKIN TX 759	LUFKIN TX 759. ^D
760	FORT WORTH TX 760	FORT WORTH TX 760	SCF FORT WORTH TX 760.
761	FORT WORTH TX 761 ^U	FORT WORTH TX 761	SCF FORT WORTH TX 760.
762	FORT WORTH TX 762	FORT WORTH TX 762	SCF FORT WORTH TX 760.
763	WICHITA FALLS TX 763	WICHITA FALLS TX 763	WICHITA FALLS TX 763. ^D
764	FORT WORTH TX 764	FORT WORTH TX 764	SCF FORT WORTH TX 760.
765	WACO TX 765	WACO TX 765	SCF WACO TX 766.
766	WACO TX 766	WACO TX 766	SCF WACO TX 766.
767	WACO TX 767 ^U	WACO TX 767	SCF WACO TX 766.
768	ABILENE TX 768	ABILENE TX 768	SCF ABILENE TX 795.
769	MIDLAND TX 769	MIDLAND TX 769	SCF MIDLAND TX 797.
770	HOUSTON TX 770 ^U	HOUSTON TX 770	SCF HOUSTON TX 770.
771	HOUSTON TX 771 ^U	HOUSTON TX 771	SCF HOUSTON TX 770.
772	HOUSTON TX 772 ^U	HOUSTON TX 772	SCF HOUSTON TX 770.
773	NORTH HOUSTON TX 773	NORTH HOUSTON TX 773	SCF NORTH HOUSTON TX 773.
774	NORTH HOUSTON TX 774	NORTH HOUSTON TX 774	SCF NORTH HOUSTON TX 773.
775	NORTH HOUSTON TX 775	NORTH HOUSTON TX 775	SCF NORTH HOUSTON TX 773.
776	BEAUMONT TX 776	BEAUMONT TX 776	SCF BEAUMONT TX 776.
777	BEAUMONT TX 777 ^U	BEAUMONT TX 777	SCF BEAUMONT TX 776.
778	BRYAN TX 778	BRYAN TX 778	BRYAN TX 778. ^D
779	VICTORIA TX 779	VICTORIA TX 779	VICTORIA TX 779. ^D
780	SAN ANTONIO TX 780	SAN ANTONIO TX 780	SCF SAN ANTONIO TX 780.
781	SAN ANTONIO TX 781	SAN ANTONIO TX 781	SCF SAN ANTONIO TX 780.
782	SAN ANTONIO TX 782 ^U	SAN ANTONIO TX 782	SCF SAN ANTONIO 780.
783	CORPUS CHRISTI TX 783	CORPUS CHRISTI TX 783	SCF CORPUS CHRISTI TX 783.
784	CORPUS CHRISTI TX 784 ^U	CORPUS CHRISTI TX 784	SCF CORPUS CHRISTI TX 783.
785	MCALLEN TX 785	MCALLEN TX 785	MCALLEN TX 785. ^D
786	AUSTIN TX 786	AUSTIN TX 786 ^s	SCF AUSTIN TX 786.
787	AUSTIN TX 787 ^U	AUSTIN TX 787	SCF AUSTIN TX 786.
788	SAN ANTONIO TX 788	SAN ANTONIO TX 788	SCF SAN ANTONIO TX 780.
789	AUSTIN TX 789	AUSTIN TX 786 ^s	SCF AUSTIN TX 786.
790	AMARILLO TX 790	AMARILLO TX 790	SCF AMARILLO TX 790.
791	AMARILLO TX 791 ^U	AMARILLO TX 791	SCF AMARILLO TX 790.
792	CHILDRESS TX 792	CHILDRESS TX 792	CHILDRESS TX 792. ^D
793	LUBBOCK TX 793	LUBBOCK TX 793	SCF LUBBOCK TX 793.
794	LUBBOCK TX 794 ^U	LUBBOCK TX 794	SCF LUBBOCK TX 793.
795	ABILENE TX 795	ABILENE TX 795	SCF ABILENE TX 795.
796	ABILENE TX 796 ^U	ABILENE TX 796	SCF ABILENE TX 795.
797	MIDLAND TX 797	MIDLAND TX 797	SCF MIDLAND TX 797.

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
798	EL PASO TX 798	EL PASO TX 798	SCF EL PASO TX 798.
799	EL PASO TX 799 ^U	EL PASO TX 799	SCF EL PASO TX 798.
800	DENVER CO 800	DENVER CO 800	SCF DENVER CO 800.
801	DENVER CO 801	DENVER CO 801	SCF DENVER CO 800.
802	DENVER CO 802 ^U	DENVER CO 802	SCF DENVER CO 800.
803	BOULDER CO 803 ^U	BOULDER CO 803	SCF DENVER CO 800.
804	DENVER CO 804	DENVER CO 804	SCF DENVER CO 800.
805	LONGMONT CO 805	LONGMONT CO 805	LONGMONT CO 805. ^D
806	BRIGHTON CO 806	BRIGHTON CO 806	SCF BRIGHTON CO 806.
807	BRIGHTON CO 807	BRIGHTON CO 807	SCF BRIGHTON CO 806.
808	COLORADO SPGS CO 808	COLORADO SPGS CO 808 ^S	SCF COLORADO SPGS CO 808.
809	COLORADO SPGS CO 809 ^U	COLORADO SPGS CO 808 ^S	SCF COLORADO SPGS CO 808.
810	PUEBLO CO 810	PUEBLO CO 810	PUEBLO CO 810. ^D
811	ALAMOSA CO 811	ALAMOSA CO 811	ALAMOSA CO 811. ^D
812	SALIDA CO 812	SALIDA CO 812	SALIDA CO 812. ^D
813	DURANGO CO 813	DURANGO CO 813	DURANGO CO 813. ^D
814	GRAND JUNCTION CO 814	GRAND JUNCTION CO 814	SCF GRAND JUNCTION CO 814.
815	GRAND JUNCTION CO 815	GRAND JUNCTION CO 815	SCF GRAND JUNCTION CO 814.
816	GLENWOOD SPRINGS CO 816	GLENWOOD SPRINGS CO 816	GLENWOOD SPRINGS CO 816. ^D
817 ^X			
818 ^X			
819 ^X			
820	CHEYENNE WY 820	CHEYENNE WY 820	CHEYENNE WY 820. ^D
821	YELLOWSTONE NAT PK WY 821 ^U	BILLINGS MT 590 ^S	SCF BILLINGS MT 590.
822	WHEATLAND WY 822	WHEATLAND WY 822	WHEATLAND WY 822. ^D
823	RAWLINS WY 823	RAWLINS WY 823	RAWLINS WY 823. ^D
824	WORLAND WY 824	WORLAND WY 824	WORLAND WY 824. ^D
825	RIVERTON WY 825	RIVERTON WY 825	RIVERTON WY 825. ^D
826	CASPER WY 826	CASPER WY 826	CASPER WY 826. ^D
827	GILLETTE WY 827	GILLETTE WY 827	GILLETTE WY 827. ^D
828	SHERIDAN WY 828	SHERIDAN WY 828	SHERIDAN WY 828. ^D
829	ROCK SPRINGS WY 829	ROCK SPRINGS WY 829	SCF ROCK SPRINGS WY 829.
830	ROCK SPRINGS WY 830	ROCK SPRINGS WY 830	SCF ROCK SPRINGS WY 829.
831	ROCK SPRINGS WY 831	ROCK SPRINGS WY 831	SCF ROCK SPRINGS WY 829.
832	POCATELLO ID 832	POCATELLO ID 832	SCF POCATELLO ID 832.
833	TWIN FALLS ID 833	TWIN FALLS ID 833	TWIN FALLS ID 833. ^D
834	POCATELLO ID 834	POCATELLO ID 834	SCF POCATELLO ID 832.
835	LEWISTON ID 835	LEWISTON ID 835	SCF LEWISTON ID 835.
836	BOISE ID 836	BOISE ID 836	SCF BOISE ID 836.
837	BOISE ID 837 ^U	BOISE ID 837	SCF BOISE ID 836.
838	SPOKANE WA 838	SPOKANE WA 838	SCF SPOKANE WA 990.
839 ^X			
840	SALT LAKE CITY UT 840	SALT LAKE CITY UT 840 ^S	SCF SALT LAKE CITY UT 840.
841	SALT LAKE CITY UT 841 ^U	SALT LAKE CITY UT 840 ^S	SCF SALT LAKE CITY UT 840.
842	SALT LAKE CITY UT 842	SALT LAKE CITY UT 840 ^S	SCF SALT LAKE CITY UT 840.
843	SALT LAKE CITY UT 843	SALT LAKE CITY UT 840 ^S	SCF SALT LAKE CITY UT 840.
844	OGDEN UT 844 ^U	SALT LAKE CITY UT 840 ^S	SCF SALT LAKE CITY UT 840.
845	PROVO UT 845	PROVO UT 845	SCF PROVO UT 845.
846	PROVO UT 846	PROVO UT 846	SCF PROVO UT 845.
847	PROVO UT 847	PROVO UT 847	SCF PROVO UT 845.
848 ^X			
849 ^X			
850	PHOENIX AZ 850 ^U	PHOENIX AZ 850	SCF PHOENIX AZ 852.
851 ^X			
852	PHOENIX AZ 852	PHOENIX AZ 852	SCF PHOENIX AZ 852.
853	PHOENIX AZ 853	PHOENIX AZ 853	SCF PHOENIX AZ 852.
854 ^X			
855	GLOBE AZ 855	GLOBE AZ 855	GLOBE AZ 855. ^D
856	TUCSON AZ 856	TUCSON AZ 856	SCF TUCSON AZ 856.
857	TUCSON AZ 857 ^U	TUCSON AZ 857	SCF TUCSON AZ 856.
858 ^X			
859	SHOW LOW AZ 859	SHOW LOW AZ 859	SHOW LOW AZ 859. ^D
860	FLAGSTAFF AZ 860	FLAGSTAFF AZ 860	FLAGSTAFF AZ 860. ^D
861 ^X			
862 ^X			
863	PRESCOTT AZ 863	PRESCOTT AZ 863	PRESCOTT AZ 863. ^D
864	KINGMAN AZ 864	KINGMAN AZ 864	KINGMAN AZ 864. ^D
865	GALLUP NM 865	GALLUP NM 865	SCF GALLUP NM 873.
866 ^X			
867 ^X			
868 ^X			
869 ^X			

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
870	ALBUQUERQUE NM 870	ALBUQUERQUE NM 870	SCF ALBUQUERQUE NM 870.
871	ALBUQUERQUE NM 871 ^U	ALBUQUERQUE NM 871	SCF ALBUQUERQUE NM 870.
872	ALBUQUERQUE NM 872 ^U	ALBUQUERQUE NM 872	SCF ALBUQUERQUE NM 870.
873	GALLUP NM 873	GALLUP NM 873	SCF GALLUP NM 873.
874	FARMINGTON NM 874	FARMINGTON NM 874	FARMINGTON NM 874. ^D
875	ALBUQUERQUE NM 875	ALBUQUERQUE NM 875	SCF ALBUQUERQUE NM 870.
876 ^x			
877	LAS VEGAS NM 877	LAS VEGAS NM 877	LAS VEGAS NM 877. ^D
878	SOCORRO NM 878	SOCORRO NM 878	SOCORRO NM 878. ^D
879	TRUTH OR CONS NM 879	TRUTH OR CONS NM 879	TRUTH OR CONS NM 879. ^D
880	LAS CRUCES NM 880	LAS CRUCES NM 880	LAS CRUCES NM 880. ^D
881	CLOVIS NM 881	CLOVIS NM 881	CLOVIS NM 881. ^D
882	ROSWELL NM 882	ROSWELL NM 882	ROSWELL NM 882. ^D
883	CARRIZO NM 883	CARRIZO NM 883	CARRIZO NM 883. ^D
884	TUCUMCARI NM 884	TUCUMCARI NM 884	TUCUMCARI NM 884. ^D
885	EL PASO TX 885 ^U	EL PASO TX 885	SCF EL PASO TX 798.
886 ^x			
887 ^x			
888 ^x			
889	LAS VEGAS NV 889 ^U	LAS VEGAS NV 890 ^s	SCF LAS VEGAS NV 890.
890	LAS VEGAS NV 890	LAS VEGAS NV 890 ^s	SCF LAS VEGAS NV 890.
891	LAS VEGAS NV 891 ^U	LAS VEGAS NV 890 ^s	SCF LAS VEGAS NV 890.
892 ^x			
893	ELY NV 893	ELY NV 893	ELY NV 893. ^D
894	RENO NV 894	RENO NV 894 ^s	SCF RENO NV 894.
895	RENO NV 895 ^U	RENO NV 894 ^s	SCF RENO NV 894.
896 ^x			
897	CARSON CITY NV 897 ^U	RENO NV 894 ^s	SCF RENO NV 894.
898	ELKO NV 898	ELKO NV 898	ELKO NV 898. ^D
899 ^x			
900	LOS ANGELES CA 900 ^U	LOS ANGELES CA 900 ^s	SCF LOS ANGELES CA 900.
901	LOS ANGELES CA 901 ^U	LOS ANGELES CA 900 ^s	SCF LOS ANGELES CA 900.
902	INGLEWOOD CA 902	INGLEWOOD CA 902 ^s	SCF INGLEWOOD CA 902.
903	INGLEWOOD CA 903 ^U	INGLEWOOD CA 902 ^s	SCF INGLEWOOD CA 902.
904	SANTA MONICA CA 904 ^U	INGLEWOOD CA 902 ^s	SCF INGLEWOOD CA 902.
905	TORRANCE CA 905 ^U	INGLEWOOD CA 902 ^s	SCF INGLEWOOD CA 902.
906	LONG BEACH CA 906	LONG BEACH CA 907 ^s	SCF LONG BEACH CA 907.
907	LONG BEACH CA 907	LONG BEACH CA 907 ^s	SCF LONG BEACH CA 907.
908	LONG BEACH CA 908 ^U	LONG BEACH CA 907 ^s	SCF LONG BEACH CA 907.
909 ^x			
910	PASADENA CA 910	PASADENA CA 910	SCF PASADENA CA 910.
911	PASADENA CA 911 ^U	PASADENA CA 911	SCF PASADENA CA 910.
912	GLENDALE CA 912 ^U	GLENDALE CA 912	SCF PASADENA CA 910.
913	VAN NUYS CA 913	VAN NUYS CA 913 ^s	SCF VAN NUYS CA 913.
914	VAN NUYS CA 914 ^U	VAN NUYS CA 913 ^s	SCF VAN NUYS CA 913.
915	BURBANK CA 915 ^U	VAN NUYS CA 913 ^s	SCF VAN NUYS CA 913.
916	NORTH HOLLYWOOD CA 916 ^U	VAN NUYS CA 913 ^s	SCF VAN NUYS CA 913.
917	INDUSTRY CA 917	INDUSTRY CA 917 ^s	SCF INDUSTRY CA 917.
918	INDUSTRY CA 918 ^U	INDUSTRY CA 917 ^s	SCF INDUSTRY CA 917.
919	SAN DIEGO CA 919	SAN DIEGO CA 920 ^s	SCF SAN DIEGO CA 920.
920	SAN DIEGO CA 920	SAN DIEGO CA 920 ^s	SCF SAN DIEGO CA 920.
921	SAN DIEGO CA 921 ^U	SAN DIEGO CA 921	SCF SAN DIEGO CA 920.
922	PALM SPRINGS CA 922	PALM SPRINGS CA 922	PALM SPRINGS CA 922. ^D
923	SAN BERNARDINO CA 923	SAN BERNARDINO CA 923 ^s	SCF SAN BERNARDINO CA 923.
924	SAN BERNARDINO CA 924 ^U	SAN BERNARDINO CA 923 ^s	SCF SAN BERNARDINO CA 923.
925	SAN BERNARDINO CA 925	SAN BERNARDINO CA 923 ^s	SCF SAN BERNARDINO CA 923.
926	SANTA ANA CA 926	SANTA ANA CA 926 ^s	SCF SANTA ANA CA 926.
927	SANTA ANA CA 927 ^U	SANTA ANA CA 926 ^s	SCF SANTA ANA CA 926.
928	ANAHEIM CA 928 ^U	ANAHEIM CA 928	SCF SANTA ANA CA 926.
929 ^x			
930	OXNARD CA 930	OXNARD CA 930	OXNARD CA 930. ^D
931	SANTA BARBARA CA 931 ^U	SANTA BARBARA CA 931	SCF SANTA BARBARA CA 931.
932	BAKERSFIELD CA 932	BAKERSFIELD CA 932	SCF BAKERSFIELD CA 932.
933	BAKERSFIELD CA 933 ^U	BAKERSFIELD CA 933	SCF BAKERSFIELD CA 932.
934	SANTA BARBARA CA 934	SANTA BARBARA CA 934	SCF SANTA BARBARA CA 931.
935	MOJAVE CA 935	MOJAVE CA 935	MOJAVE CA 935. ^D
936	FRESNO CA 936	FRESNO CA 936	SCF FRESNO CA 936.
937	FRESNO CA 937 ^U	FRESNO CA 937	SCF FRESNO CA 936.
938	FRESNO CA 938	FRESNO CA 938	SCF FRESNO CA 936.
939	SALINAS CA 939	SALINAS CA 939	SALINAS CA 939.
940	SAN FRANCISCO CA 940	SAN FRANCISCO CA 940 ^s	SCF SAN FRANCISCO CA 940.
		SCHEME A	

3-Digit ZIP code prefix	Column A For 3-digit destinations, label container to	Column B For 3-digit/scheme destinations, label container to	Column C For SCF destinations, label container to
941	SAN FRANCISCO CA 941 ^U	SAN FRANCISCO CA 941	SCF SAN FRANCISCO CA 940.
942	SACRAMENTO CA 942 ^U	SACRAMENTO CA 942	SCF SACRAMENTO CA 956.
943	PALO ALTO CA 943 ^U	SAN FRANCISCO CA 940 ^S	SCF SAN FRANCISCO CA 940.
		SCHEME A	
944	SAN MATEO CA 944 ^U	SAN FRANCISCO CA 940 ^S	SCF SAN FRANCISCO CA 940.
		SCHEME A	
945	OAKLAND CA 945	OAKLAND CA 945 ^S	SCF OAKLAND CA 945.
		SCHEME A	
946	OAKLAND CA 946 ^U	OAKLAND CA 946 ^S	SCF OAKLAND CA 945.
		SCHEME B	
947	BERKELEY CA 947 ^U	OAKLAND CA 946 ^S	SCF OAKLAND CA945.
		SCHEME B	
948	RICHMOND CA 948 ^U	OAKLAND CA 945 ^S	SCF OAKLAND CA 945.
		SCHEME A	
949	NORTH BAY CA 949	NORTH BAY CA 949	SCF NORTH BAY CA 949.
950	SAN JOSE CA 950	SAN JOSE CA 950	SCF SAN JOSE CA 950.
951	SAN JOSE CA 951 ^U	SAN JOSE CA 951	SCF SAN JOSE CA 950.
952	STOCKTON, CA 952	STOCKTON, CA 952 ^S	SCF STOCKTON, CA 952.
953	STOCKTON, CA 953	STOCKTON, CA 952 ^S	SCF STOCKTON, CA 952.
954	NORTH BAY CA 954	NORTH BAY CA 954	SCF NORTH BAY CA 949.
955	EUREKA CA 955	EUREKA CA 955	EUREKA CA 955. ^D
956	SACRAMENTO CA 956	SACRAMENTO CA 956 ^S	SCF SACRAMENTO CA 956.
957	SACRAMENTO CA 957	SACRAMENTO CA 956 ^S	SCF SACRAMENTO CA 956.
958	SACRAMENTO CA 958 ^U	SACRAMENTO CA 958	SCF SACRAMENTO CA 956.
959	MARYSVILLE CA 959	MARYSVILLE CA 959	MARYSVILLE CA 959. ^D
960	REDDING CA 960	REDDING CA 960	REDDING CA 960. ^D
961	RENO NV 961	RENO NV 961	SCF RENO NV 894.
962	APO/FPO AP 962	SAN FRANCISCO CA 962 ^S	
		SCHEME B	
963	APO/FPO AP 963	SAN FRANCISCO CA 962 ^S	
		SCHEME B	
964	APO/FPO AP 964	SAN FRANCISCO CA 962 ^S	
		SCHEME B	
965	APO/FPO AP 965	SAN FRANCISCO CA 962 ^S	
		SCHEME B	
966	FPO AP 966	SAN FRANCISCO CA 962 ^S	
		SCHEME B	
967	HONOLULU HI 967	HONOLULU HI 967 ^S	SCF HONOLULU HI 967.
968	HONOLULU HI 968 ^U	HONOLULU HI 967 ^S	SCF HONOLULU HI 967.
969	BARRIGADA GU 969	[FCM Only] HONOLULU HI 967 ^S	BARRIGADA GU 969. ^D
		[PER and STD] OAKLAND CA 945 ^S .	
970	PORTLAND OR 970	PORTLAND OR 970	SCF PORTLAND OR 970.
971	PORTLAND OR 971	PORTLAND OR 971	SCF PORTLAND OR 970.
972	PORTLAND OR 972 ^U	PORTLAND OR 972	SCF PORTLAND OR 970.
973	SALEM OR 973	SALEM OR 973	SALEM OR 973. ^D
974	EUGENE OR 974	EUGENE OR 974	EUGENE OR 974. ^D
975	MEDFORD OR 975	MEDFORD OR 975	MEDFORD OR 975. ^D
976	KLAMATH FALLS OR 976	KLAMATH FALLS OR 976	KLAMATH FALLS OR 976. ^D
977	BEND OR 977	BEND OR 977	BEND OR 977. ^D
978	PENDLETON OR 978	PENDLETON OR 978	PENDLETON OR 978. ^D
979	BOISE ID 979	BOISE ID 979	SCF BOISE ID 836.
980	SEATTLE WA 980	SEATTLE WA 980	SCF SEATTLE WA 980.
981	SEATTLE WA 981 ^U	SEATTLE WA 981	SCF SEATTLE WA 980.
982	EVERETT WA 982	EVERETT WA 982	EVERETT WA 982. ^D
983	TACOMA WA 983	TACOMA WA 983	SCF TACOMA WA 983.
984	TACOMA WA 984 ^U	TACOMA WA 984	SCF TACOMA WA 983.
985	OLYMPIA WA 985	OLYMPIA WA 985	OLYMPIA WA 985. ^D
986	PORTLAND OR 986	PORTLAND OR 986	SCF PORTLAND OR 970.
987 ^X			
988	WENATCHEE WA 988	WENATCHEE WA 988	WENATCHEE WA 988. ^D
989	YAKIMA WA 989	YAKIMA WA 989	YAKIMA WA 989. ^D
990	SPOKANE WA 990	SPOKANE WA 990	SCF SPOKANE WA 990.
991	SPOKANE WA 991	SPOKANE WA 991	SCF SPOKANE WA 990.
992	SPOKANE WA 992 ^U	SPOKANE WA 992	SCF SPOKANE WA 990.
993	PASCO WA 993	PASCO WA 993	PASCO WA 993. ^D
994	LEWISTON ID 994	LEWISTON ID 994	SCF LEWISTON ID 835.
995	ANCHORAGE AK 995	ANCHORAGE AK 995	SCF ANCHORAGE AK 995.
996	ANCHORAGE AK 996	ANCHORAGE AK 996	SCF ANCHORAGE AK 995.
997	FAIRBANKS AK 997	FAIRBANKS AK 997	FAIRBANKS AK 997. ^D
998	JUNEAU AK 998	JUNEAU AK 998	JUNEAU AK 998. ^D
999	KETCHIKAN AK 999	KETCHIKAN AK 999	KETCHIKAN AK 999. ^D

a. ZIP Code: Use this column to find a 3-digit ZIP Code prefix. Those indicated by an ^X are unassigned.

b. 3-Digit Destination: Use this information for Line 1 or 3-digit containers (subject to the standards for the rate claimed). Unique 3-digit cities are indicated by a ^U.

c. 3-Digit Scheme Destination: Use this information for Line 1 on 3-digit/scheme containers (subject to the standards for the rate claimed). Line 2 for destinations indicated by an ^S must include either "SCHEME" or the specific information shown. 3-digit groups by scheme group, where applicable, are shown in L003.

d. SCF Destination: Use this information for Line 1 on SCF containers (subject to the standards for the rate claimed). SCFs serving only a single 3-digit area are indicated by a ^D. 3-digit groups by SCF are shown in L005. Destination SCF Standard Mail (A) rates or SCF zone Periodicals rates are available only to those ZIP Code areas for which an SCF is shown, *except that*, for either rate, mailings may be deposited at Water-town SD for mail destinating in 572 and at Mitchell SD for mail destinating in 573.

To order labels from the USPS Label Printing Center, use Form 1578-B and indicate set number 001 (unique 3-digit cities only), set number 002 (3-digit destinations), or set number 003 (SCF destinations). Requests are supplied in lots of 300 (minimum) for each label on the list.

¹=Mail destinating in 3-digit ZIP Code area 008 must be labeled as shown in L601 for Standard Mail machinable parcels, L603 for Standard Mail irregular parcels, and L004 for all other mail.

[Add new L003 as follows:]

**L003 3-Digit ZIP Code Prefix Groups
for 3-Digit Scheme Sortation**

When required by the standards for
specific rates, pieces for the 3-digit ZIP
Code prefixes shown in Column A must

be combined in trays labeled to the
corresponding destination shown in
Column B. Line 2 on tray labels must
include "SCHEME" except as shown
below.

Column A	Column B
3-Digit ZIP Code Prefix Group	Label to
006-009	SAN JUAN PR 006.
010, 011, 013	SPRINGFIELD MA 010.
014, 015, 017	WORCESTER MA 015.
018, 019, 055	MIDDLESEX-ESSEX MA 018.
020, 023, 024	BROCKTON MA 023.
021, 022	BOSTON MA 021.
025, 026	BUZZARDS BAY MA 025.
027, 028	PROVIDENCE RI 028.
035, 036, 051-053, 059	WHITE RVR JCT VT 051 SCHEME B.
037, 050	WHITE RVR JCT VT 050 SCHEME C.
038, 039	PORTSMOUTH NH 038.
043, 045	PORTLAND ME 043.
054, 056	BURLINGTON VT 054.
057, 058	WHITE RVR JCT VT 057 SCHEME A.
068, 069	STAMFORD CT 068.
074, 076	HACKENSACK NJ 074.
077, 088	KILMER NJ 077.
078, 079	WEST JERSEY NJ 078.
080, 081	SOUTH JERSEY NJ 080 SCHEME A.
082-084	SOUTH JERSEY NJ 082 SCHEME B.
085-087	TRENTON NJ 085.
110, 113, 114, 116	QUEENS NY 110.
120-123	ALBANY NY 120.
124, 125, 127	MID-HUDSON NY 124.
130-132	SYRACUSE NY 130.
133, 134	UTICA NY 133.
137-139	BINGHAMTON NY 137.
140-143	BUFFALO NY 140.
155, 157	JOHNSTOWN PA 155.
164, 165	ERIE PA 164.
169, 177	WILLIAMSPORT PA 169.
180, 181, 183	LEHIGH VALLEY PA 180.
191, 192	PHILADELPHIA PA 191.
193, 194	SOUTHEASTERN PA 193.
197-199	WIMINGTON DE 197.
202-205	WASHINGTON DC 202.
208, 209	SUBURBAN MD 208.
210, 211, 219	BALTIMORE MD 210.
224, 225, 238	RICHMOND VA 224 SCHEME B.
230, 231	RICHMOND VA 230 SCHEME A.
233-237	NORFOLK VA 233.
240, 241	ROANOKE VA 240.
250-252	CHARLESTON WV 250.
278, 279	ROCKY MOUNT NC 278.
280, 281, 297	CHARLOTTE NC 280.

Column A	Column B
3-Digit ZIP Code Prefix Group	Label to
290, 291	COLUMBIA SC 290.
293, 296	GREENVILLE SC 296.
300, 301	NORTH METRO GA 300.
303, 311, 399	ATLANTA GA 303.
310, 312	MACON GA 310.
318, 319	COLUMBUS GA 318.
334, 349	W PALM BEACH FL 334.
335, 346	TAMPA FL 335.
369, 393	JACKSON MS 393
	SCHEME B.
377-379	KNOXVILLE TN 377.
390, 391	JACKSON MS 390
	SCHEME A.
400, 401, 471	LOUISVILLE KY 400.
410, 470	CINCINNATI OH 410
	SCHEME A.
430, 431, 433	COLUMBUS OH 430
	SCHEME A.
434-436	TOLEDO OH 434.
437, 438	COLUMBUS OH 437
	SCHEME B.
442, 443	AKRON OH 442.
444, 445	YOUNGSTOWN OH 444.
446, 447	CANTON OH 446.
450, 451	CINCINNATI OH 450
	SCHEME B.
463, 464	GARY IN 463.
465, 466	SOUTH BEND IN 465.
484, 485	FLINT MI 484.
486, 487	SAGINAW MI 486.
490, 491	KALAMAZOO MI 490.
498, 499	IRON MOUNTAIN MI 498.
500-502	DES MOINES IA 500
	SCHEME A.
503, 509	DES MOINES IA 503
	SCHEME B.
515, 516, 680	OMAHA NE 680.
522, 523	CEDAR RAPIDS IA 522.
527, 528, 612	ROCK ISLAND IL 612.
535, 538	MADISON WI 535.
540, 550	ST PAUL MN 550.
541, 542	GREEN BAY WI 541.
590-599, 821	BILLINGS MT 590.
600, 602	PALATINE IL 600.
601, 603	CAROL STREAM IL 601.
610, 611	ROCKFORD IL 610.
615, 616	PEORIA IL 615.
618, 619	CHAMPAIGN IL 618.
620, 622, 630, 633	ST LOUIS MO 630.
654, 655	SPRINGFIELD MO 654
	SCHEME A.
656, 657	SPRINGFIELD MO 656
	SCHEME B.
670, 671	WICHITA KS 670.
710, 711	SHREVEPORT LA 710
	SCHEME A.
713, 714	SHREVEPORT LA 713
	SCHEME B.
752, 753	DALLAS TX 752.
786, 789	AUSTIN TX 786.
808, 809	COLORADO SPGS CO 808.
840-844	SALT LAKE CITY UT 840.
889-891	LAS VEGAS NV 890.
894, 895, 897	RENO NV 894.
900, 901	LOS ANGELES CA 900.
902-905	INGLEWOOD CA 902.
906-908	LONG BEACH CA 907.
913-916	VAN NUYS CA 913.
917, 918	INDUSTRY CA 917.
919, 920	SAN DIEGO CA 920.
923, 925	SAN BERNARDINO CA 923.
926, 927	SANTA ANA CA 926.

Column A	Column B
3-Digit ZIP Code Prefix Group	Label to
940, 943, 944	SAN FRANCISCO CA 940
945, 948	SCHEME A. OAKLAND CA 945
(FCM only). 945, 948, 969	SCHEME A. OAKLAND CA 945. SCHEME A.
(PER and STD only). 946, 947	OAKLAND CA 946 SCHEME B.
952, 953	STOCKTON CA 952.
956, 957	SACRAMENTO CA 956.
962-966	SAN FRANCISCO CA 962 SCHEME B.
967-969 (FCM only)	HONOLULU HI 967.
967-968 (PER and STD only)	HONOLULU HI 967.

[Add new L004 as follows:]

L004 3-Digit ZIP Code Prefix Groups
for ADC Sortation

Subject to the standards for the rate
claimed, pieces for the 3-digit ZIP Code

prefixes shown in Column A must be
combined and labeled to the
corresponding ADC destination shown
in Column B. Where noted, the
destination must be selected based on

the class of mail being prepared.
Unassigned 3-digit prefixes or assigned
3-digit prefixes not associated with an
ADC are omitted.

Column A	Column B
3-digit ZIP code prefix group	Label to
004, 105-109	ADC WESTCHESTER NY 105.
005, 115, 117-119	ADC LONG ISLAND NY 117.
006-009	ADC SAN JUAN PR 006.
010-017	ADC SPRINGFIELD MA 010.
018, 019, 021, 022, 055	ADC BOSTON MA 021.
020, 023-029	ADC PROVIDENCE RI 028.
030-034, 038, 039	ADC MANCHESTER NH 030.
035-037, 050-054, 056-059	ADC WHITE RVR JCT VT 050.
040-049	ADC PORTLAND ME 040.
060-069	[FCM and STD only] ADC HARTFORD CT 060. [PER only] ADC SOUTHERN CT 064.
070-079, 085-089	[FCM and PER only] ADC DV DANIELS NJ 07099. [STD only] ADC DV DANIELS NJ 00104.
080-084	ADC SOUTH JERSEY NJ 080.
090-098	[FCM only] AMF KENNEDY NY 00300. APO/FPO
100-102, 104	[PER and STD only] MILITARY CENTER NY 090. [FCM and STD only] ADC NEW YORK NY 100.
103, 110-114, 116	[PER only] ADC JAF NY 10180.
120-129	ADC QUEENS NY 110.
130-139	ADC ALBANY NY 120.
140-149	ADC SYRACUSE NY 130.
150-168, 260	ADC BUFFALO NY 140.
169-178	ADC PITTSBURGH PA 150.
179, 189, 193-196	ADC HARRISBURG PA 170.
180-188	ADC SOUTHEASTERN PA 189.
190-192	ADC LEHIGH VALLEY PA 180.
197-199	ADC PHILADELPHIA PA 190.
200, 202-205	ADC WILMINGTON DE 197.
201, 220-223, 226, 227	ADC WASHINGTON DC 200.
206-209	[FCM only] ADC DULLES VA 201.
210-212, 214-219, 254, 267	[PER and STD only] ADC NORTHERN VA 220.
224, 225, 228-239, 244	ADC SOUTHERN MD 206.
240-243, 245	ADC BALTIMORE MD 210.
246-253, 255-259	ADC RICHMOND VA 230.
261-266, 268	ADC ROANOKE VA 240.
270-279, 285	ADC CHARLESTON WV 250.
280-284, 286-289, 297	ADC CLARKSBURG WV 263.
290-296	ADC GREENSBORO NC 270.
	ADC CHARLOTTE NC 280.
	ADC COLUMBIA SC 290.

Column A	Column B
3-digit ZIP code prefix group	Label to
298, 300–303, 305, 306, 308, 309, 311, 399	[FCM and PER only] ADC NORTH METRO GA 301. [STD only] ADC NORTH METRO GA 30199.
299, 304, 313–315, 320–324, 326, 344	[FCM and PER only] ADC JACKSONVILLE FL 320. [STD only] ADC JACKSONVILLE FL 32099.
307, 370–374, 376–379, 384, 385	[FCM and PER only] ADC NASHVILLE TN 370. [STD only] ADC NASHVILLE TN 37099.
310, 312, 316–319	[FCM and PER only] ADC MACON GA 310. [STD only] ADC MACON GA 31299.
325, 365, 366, 394–396, 700, 701, 703–708	[FCM and PER only] ADC NEW ORLEANS LA 700. [STD only] ADC NEW ORLEANS LA 70099.
327–329, 334, 347, 349	[FCM only] ADC ORLANDO FL 328. [PER only] ADC MID FLORIDA FL 327. [STD only] ADC MID FLORIDA FL 32799.
330–333	[FCM and PER only] ADC MIAMI FL 331. [STD only] ADC MIAMI FL 33298.
335–339, 342, 346	[FCM only] ADC TAMPA FL 335. [PER only] ADC MANASOTA FL 342. [STD only] ADC MANASOTA FL 34299.
340	[FCM only] ADC MIAMI FL 331.
350–352, 354–359, 362	[PER and STD only] MILITARY CENTER NY 090. [FCM and PER only] ADC BIRMINGHAM AL 350. [STD only] ADC BIRMINGHAM AL 35099.
360, 361, 363, 364, 367, 368	[FCM and PER only] ADC MONTGOMERY AL 360. [STD only] ADC MONTGOMERY AL 36099.
369, 390–393, 397	[FCM and PER only] ADC JACKSON MS 390. [STD only] ADC JACKSON MS 39099.
375, 380–383, 386–389, 723	[FCM and PER only] ADC MEMPHIS TN 380. [STD only] ADC MEMPHIS TN 38099.
400–409, 411–418, 420–427, 471, 476, 477	ADC LOUISVILLE KY 400.
410, 450–455, 458, 459, 470	ADC CINCINNATI OH 450.
430–438, 456, 457	ADC COLUMBUS OH 430.
439–449	ADC CLEVELAND OH 440.
460–469, 472–475, 478, 479	ADC INDIANAPOLIS IN 460.
480–489	ADC DETROIT MI 481.
490–497	ADC GRAND RAPIDS MI 493.
498, 499, 530–532, 534, 535, 537–539, 541–545, 549	ADC MILWAUKEE WI 530.
500–509, 520–528, 612	[FCM only] ADC DES MOINES IA 500. [PER only] ADC DES MOINES IA 50092. [STD only] ADC DES MOINES IA 50091.
510–516, 680, 681, 683–693	ADC OMAHA NE 680.
540, 546–548, 550, 551, 556–559	[FCM only] ADC ST PAUL MN 550. [PER only] ADC ST PAUL MN 55222. [STD only] ADC ST PAUL MN 55532.
553–555, 560–564, 566	[FCM only] ADC MINNEAPOLIS MN 553. [PER only] ADC MINNEAPOLIS MN 55228. [STD only] ADC MINNEAPOLIS MN 55538.
565, 567, 580–588	ADC FARGO ND 580.
570–577	ADC SIOUX FALLS SD 570.
590–599, 821	ADC BILLINGS MT 590.
600–603, 610, 611, 613–616	[FCM and STD only] ADC CAROL STREAM IL 601. [PER only] ADC CHICAGO IL 60821.
604, 605, 609, 617–619	[FCM and STD only] ADC SOUTH SUBN IL 604. [PER only] ADC CHICAGO IL 60821.
606–608	[FCM and STD only] ADC CHICAGO IL 606. [PER only] ADC CHICAGO IL 60821.
620, 622–631, 633–639	[FCM and PER only] ADC ST LOUIS MO 630. [STD only] ADC ST LOUIS MO 63203.
640, 641, 644–658, 660–662, 664–668	[FCM only] ADC KANSAS CITY MO 640. [PER only] ADC KANSAS CITY MO 64240. [STD only] ADC KANSAS CITY MO 66340.
669–679, 739	[FCM only] ADC WICHITA KS 670. [PER only] ADC WICHITA KS 64270. [STD only] ADC WICHITA KS 66370.
710–714	[FCM and PER only] ADC SHREVEPORT LA 710. [STD only] ADC SHREVEPORT LA 71099.
716–722, 724–729	[FCM and PER only] ADC LITTLE ROCK AR 720. [STD only] ADC LITTLE ROCK AR 72098.
730, 731, 734–738, 748	ADC OKLAHOMA CITY OK 730.
733, 779–789, 798, 799, 885	[FCM and PER only] ADC SAN ANTONIO TX 780. [STD only] ADC SAN ANTONIO TX 78099.
740, 741, 743–747, 749	ADC TULSA OK 740.

Column A	Column B
3-digit ZIP code prefix group	Label to
750-759	ADC NORTH TEXAS TX 750.
760-769, 790-797	ADC FT WORTH TX 760.
770-778	ADC NORTH HOUSTON TX 773.
800-816	ADC DENVER CO 800.
820, 822-831	ADC CHEYENNE WY 820.
832-834, 836, 837, 979	ADC BOISE ID 836.
835, 838, 980-985, 988-994, 998, 999	ADC SEATTLE WA 980.
840-847, 893, 898	ADC SALT LAKE CITY UT 840.
850, 852, 853, 855-857, 859, 860, 863	ADC PHOENIX AZ 852.
864, 889-891, 894, 895, 897, 961	ADC LAS VEGAS NV 890.
865, 870-875, 877-884	ADC ALBUQUERQUE NM 870.
900, 901	ADC LOS ANGELES CA 900.
902-908, 910-918	ADC TWIN VALLEY CA 900.
919-921	ADC SAN DIEGO CA 920.
922-928, 930-935	ADC SEQUOIA CA 901.
936-939, 942, 950-953, 955-960	[FCM only] ADC SIERRA CA 940.
	[PER and STD only] ADC OAKLAND CA 945.
940, 941, 943-949, 954	[FCM only] ADC PENINSULA CA 941.
	[PER and STD only] ADC OAKLAND CA 945.
962-966	AMF SAN FRANCISCO CA 962.
	APO/FPO.
967-968	ADC HONOLULU HI 967.
969	[FCM only] ADC HONOLULU HI 967.
	[PER and STD only] ADC OAKLAND CA 945.
970-978, 986	ADC PORTLAND OR 970.
995-997	ADC ANCHORAGE AK 995.

[Add new L005 as follows:]

L005 3-Digit ZIP Code Prefix Group for SCF Sortation

Subject to the standards for the rate claimed, pieces for the 3-digit Zip Code

prefixes shown in Column A must be combined and labeled to the corresponding SCF destination shown in Column B. SCFs serving only one 3-digit area are identified by ^s; Line 1

labels for these destinations does not include the "SCF" prefix before the facility name. Unassigned 3-digit prefixes or assigned 3-digit prefixes not associated with an SCF are omitted.

Column A	Column B
3-digit ZIP code prefix group	Label to
004, 105-108	SCF WESTCHESTER NY 105.
005, 117-119	SCF MID-ISLAND NY 117.
006, 007, 009	SCF SAN JUAN PR 006.
010, 011, 013	SCF SPRINGFIELD MA 010.
012	PITTSFIELD MA 012. ^s
014-017	SCF WORCESTER MA 015.
018, 019, 055	SCF MIDDLESEX-ESSX MA 018.
020, 023, 024	SCF BROCKTON MA 023.
021, 022	SCF BOSTON MA 021.
025, 026	SCF BUZZARDS BAY MA 025.
027-029	SCF PROVIDENCE RI 028.
030-034	SCF MANCHESTER NH 030.
035-037, 050-053, 057-059	SCF WHITE RVR JCT VT 050.
038, 039	SCF PORTSMOUTH NH 038.
040-043, 045, 048	SCF PORTLAND ME 040.
044, 046, 047, 049	SCF BANGOR ME 044.
054, 056	SCF BURLINGTON VT 054.
060-062	SCF HARTFORD CT 060.
063-066	SCF SOUTHERN CT 064.
067	WATERBURY CT 067. ^s
068, 069	SCF STAMFORD CT 068.
070-073	SCF NEWARK NJ 070.
074, 075	SCF PATERSON NJ 074.
076	HACKENSACK NJ 076. ^s
077	MONMOUTH NJ 077. ^s
078, 079	SCF WEST JERSEY NJ 079.
080-084	SCF SOUTH JERSEY NJ 080.
085-087	SCF TRENTON NJ 085.
088, 089	SCF KILMER NJ 088.
100-102	SCF NEW YORK NY 100.
103	STATEN ISLAND NY 103. ^s
104	BRONX NY 104. ^s

Column A	Column B
3-digit ZIP code prefix group	Label to
109	ROCKLAND NY 109. ^s
110, 113, 114, 116	SCF QUEENS NY 110.
111	LONG ISLAND CITY NY 111. ^s
112	BROOKLYN NY 112. ^s
115	WESTERN NASSAU NY 115. ^s
120-123	SCF ALBANY NY 120.
124-127	SCF MID-HUDSON NY 125.
128	GLENS FALLS NY 128. ^s
129	PLATTSBURGH NY 129. ^s
130-132	SCF SYRACUSE NY 130.
133-135	SCF UTICA NY 133.
136	WATERTOWN NY 136. ^s
137-139	SCF BINGHAMTON NY 137.
140-143	SCF BUFFALO NY 140.
144-146	SCF ROCHESTER NY 144.
147	JAMESTOWN NY 147. ^s
148, 149	SCF ELMIRA NY 148.
150-154	SCF PITTSBURGH PA 150.
155, 157, 159	SCF JOHNSTOWN PA 159.
156	GREENSBURG PA 156. ^s
158	DUBOIS PA 158. ^s
160-162	SCF NEW CASTLE PA 161.
163	OIL CITY PA 163. ^s
164, 165	SCF ERIE PA 164.
166, 168	SCF ALTOONA PA 166.
167	BRANDFORD PA 167. ^s
169, 177	SCF WILLIAMSPORT PA 177.
170-172, 178	SCF HARRISBURG PA 170.
173-176	SCF LANCASTER PA 173.
179, 195, 196	SCF READING PA 195.
180, 181, 183	SCF LEHIGH VALLEY PA 180.
182, 186, 187	SCF WILKES BARRE PA 186.
184, 185, 188	SCF SCRANTON PA 184.
189, 193, 194	SCF SOUTHEASTERN PA 189.
190-192	SCF PHILADELPHIA PA 190.
197-199	SCF WILMINGTON DE 197.
200, 202-205	SCF WASHINGTON DC 200.
201, 220-223	SCF NORTHERN VA 220.
206, 207	SCF SOUTHERN MD 206.
208, 209	SCF SUBURBAN MD 208.
210-212, 214, 219	SCF BALTIMORE MD 210.
215, 267	SCF CUMBERLAND MD 215.
216	EASTON MD 216. ^s
217	FREDERICK MD 217. ^s
218	SALISBURY MD 218. ^s
224, 225, 230-232, 238	SCF RICHMOND VA 230.
226	WINCHESTER VA 226. ^s
227	CULPEPER VA 227. ^s
228, 229, 244	SCF CHARLOTTESVILLE VA 229.
233-237	SCF NORFOLK VA 233.
239	FARMVILLE VA 239. ^s
240, 241, 243	SCF ROANOKE VA 240.
242	BRISTOL VA 242. ^s
245	LYNCHBURG VA 245. ^s
246-248	SCF BLUEFIELD WV 247.
249	LEWISBURG WV 249. ^s
250-253	SCF CHARLESTON WV 250.
254	MARTINSBURG WV 254. ^s
255-257	SCF HUNTINGTON WV 255.
258, 259	SCF BECKLEY WV 258.
260	WHEELING WV 260. ^s
261	PARKERSBURG WV 261. ^s
262-265	SCF CLARKSBURG WV 263.
266	GASSAWAY WV 266. ^s
268	PETERSBURG WV 268. ^s
270-274	SCF GREENSBORO NC 270.
275-277	SCF RALEIGH NC 275.
278, 279	SCF ROCKY MOUNT NC 278.
280-282, 297	SCF CHARLOTTE NC 280.
283, 284	SCF FAYETTEVILLE NC 283.
285	KINSTON NC 285. ^s
286	HICKORY NC 286. ^s

Column A	Column B
3-digit ZIP code prefix group	Label to
287-289	SCF ASHEVILLE NC 287.
290-292	SCF COLUMBIA SC 290.
293, 296	SCF GREENVILLE SC 296.
294	CHARLESTON SC 294. ^s
295	FLORENCE SC 295. ^s
298, 308, 309	SCF AUGUSTA GA 308.
299, 313, 314	SCF SAVANNAH GA 313.
300-302	SCF NORTH METRO GA 300.
303, 311, 399	SCF ATLANTA GA 303.
304	SWAINSBORO GA 304. ^s
305, 306	SCF ATHENS GA 306.
307, 373, 374	SCF CHATTANOOGA TN 373.
310, 312	SCF MACON GA 310.
315	WAYCROSS GA 315. ^s
316	VALDOSTA GA 316. ^s
317	ALBANY GA 317. ^s
318, 319	SCF COLUMBUS GA 318.
320, 322	SCF JACKSONVILLE FL 320.
321	DAYTONA BEACH FL 321. ^s
323	TALLAHASSEE FL 323. ^s
324	PANAMA CITY FL 324. ^s
325	PENSACOLA FL 325. ^s
326, 344	SCF GAINESVILLE FL 326.
327	MID-FLORIDA FL 327. ^s
328, 329, 347	SCF ORLANDO FL 328.
330	SOUTH FLORIDA FL 330. ^s
331, 332	SCF MIAMI FL 331.
333	FT LAUDERDALE FL 333. ^s
334, 349	SCF WEST PALM BCH FL 334.
335, 336, 346	SCF TAMPA FL 335.
337	ST PETERSBURG FL 337. ^s
338	LAKELAND FL 338. ^s
339	FT MYERS FL 339. ^s
342	MANASOTA FL 342. ^s
350-352, 355, 359	SCF BIRMINGHAM AL 350.
354	TUSCALOOSA AL 354. ^s
356-358	SCF HUNTSVILLE AL 357.
360, 361, 367, 368	SCF MONTGOMERY AL 360.
362	ANNISTON AL 362. ^s
363	DOTHAN AL 363. ^s
364	EVERGREEN AL 364. ^s
365, 366	SCF MOBILE AL 365.
369, 393	SCF MERIDIAN MS 393.
370-372	SCF NASHVILLE TN 370.
375, 380, 381, 386, 723	SCF MEMPHIS TN 380.
376	JOHNSON CITY TN 376. ^s
377-379	SCF KNOXVILLE TN 377.
382	MCKENZIE TN 382. ^s
383	JACKSON TN 383. ^s
384	COLUMBIA TN 384. ^s
385	COOKEVILLE TN 385. ^s
387	GREENVILLE MS 387. ^s
388	TUPELO MS 388. ^s
389	GRENADA MS 389. ^s
390-392	SCF JACKSON MS 390.
394	HATTIESBURG MS 394. ^s
395	GULFPORT MS 395. ^s
396	MCCOMB MS 396. ^s
397	COLUMBUS MS 397. ^s
400-402, 471	SCF LOUISVILLE KY 400.
403-406	SCF LEXINGTON KY 403.
407-409	SCF LONDON KY 407.
410, 450-452, 459, 470	SCF CINCINNATI OH 450.
411, 412	SCF ASHLAND KY 411.
413, 414	SCF CAMPTON KY 413.
415, 416	SCF PIKEVILLE KY 415.
417, 418	SCF HAZARD KY 417.
420	PADUCAH KY 420. ^s
421, 422	SCF BOWLING GREEN KY 421.
423	OWENSBORO KY 423. ^s
424, 476, 477	SCF EVANSVILLE IN 476.
425, 426	SCF SOMERSET KY 425.

Column A	Column B
3-digit ZIP code prefix group	Label to
427	ELIZABETHTOWN KY 427. ^S
430-433	SCF COLUMBUS OH 430.
434-436	SCF TOLEDO OH 434.
437, 438	SCF ZANESVILLE OH 437.
439	STEUBENVILLE OH 439. ^S
440, 441	SCF CLEVELAND OH 440.
442, 443	SCF AKRON OH 442.
444, 445	SCF YOUNGSTOWN OH 444.
446, 447	SCF CANTON OH 446.
448, 449	SCF MANSFIELD OH 448.
453-455	SCF DAYTON OH 453.
456	CHILLICOTHE OH 456. ^S
457	ATHENS OH 457. ^S
458	LIMA OH 458. ^S
460-462	SCF INDIANAPOLIS IN 460.
463, 464	SCF GARY IN 463.
465, 466	SCF SOUTH BEND IN 465.
467, 468	SCF FORT WAYNE IN 467.
469	KOKOMO IN 469. ^S
472	COLUMBUS IN 472. ^S
473	MUNCIE IN 473. ^S
474	BLOOMINGTON IN 474. ^S
475	WASHINGTON IN 475. ^S
478	TERRE HAUTE IN 478. ^S
479	LAFAYETTE IN 479. ^S
480, 483	SCF ROYAL OAK MI 480.
481, 482	SCF DETROIT MI 481.
484, 485	SCF FLINT MI 484.
486, 487	SCF SAGINAW MI 486.
488, 489	SCF LANSING MI 488.
490, 491	SCF KALAMAZOO MI 490.
492	JACKSON MI 492. ^S
493-495	SCF GRAND RAPIDS MI 493.
496	TRAVERSE CITY MI 496. ^S
497	GAYLORD MI 497. ^S
498, 499	SCF IRON MOUNTAIN MI 498.
500-503, 509	SCF DES MOINES IA 500.
504	MASON CITY IA 504. ^S
505	FORT DODGE IA 505. ^S
506, 507	SCF WATERLOO IA 506.
508	CRESTON IA 508. ^S
510, 511	SCF SIOUX CITY IA 510.
512	SHELDON IA 512. ^S
513	SPENCER IA 513. ^S
514	CARROLL IA 514. ^S
515, 516, 680, 681	SCF OMAHA NE 680.
520	DUBUQUE IA 520. ^S
521	DECORAH IA 521. ^S
522-524	SCF CEDAR RAPIDS IA 522.
525	OTTUMWA IA 525. ^S
526	BURLINGTON IA 526. ^S
527, 528, 612	SCF ROCK ISLAND IL 612.
530-532, 534	SCF MILWAUKEE WI 530.
535, 537, 538	SCF MADISON WI 535.
539	PORTAGE WI 539. ^S
540, 550, 551	SCF ST PAUL MN 550.
541-543	SCF GREEN BAY WI 541.
544	WAUSAU WI 544. ^S
545	RHINELANDER WI 545. ^S
546	LA CROSSE WI 546. ^S
547	EAU CLAIRE WI 547. ^S
548	SPOONER WI 548. ^S
549	OSHKOSH WI 549. ^S
553-555	SCF MINNEAPOLIS MN 553.
556-558	SCF DULUTH MN 556.
559	ROCHESTER MN 559. ^S
560	MANKATO MN 560. ^S
561	WINDOM MN 561. ^S
562	WILLMAR MN 562. ^S
563	ST CLOUD MN 563. ^S
564	BRAINERD MN 564. ^S
565	DETROIT LAKES MN 565. ^S

Column A	Column B
3-digit ZIP code prefix group	Label to
566	BEMIDJI MN 566. ^s
567	THIEF RIVER FALLS MN 567. ^s
570, 571	SCF SIOUX FALLS SD 570.
572, 573	SCF DAKOTA CENTRAL SD 572.
574	ABERDEEN SD 574. ^s
575	PIERRE SD 575. ^s
576	MOBRIDGE SD 576. ^s
577	RAPID CITY SD 577. ^s
580, 581	SCF FARGO ND 580.
582	GRAND FORKS ND 582. ^s
583	DEVILS LAKE ND 583. ^s
584	JAMESTOWN ND 584. ^s
585	BISMARCK ND 585. ^s
586	DICKINSON ND 586. ^s
587	MINOT ND 587. ^s
588	WILLISTON ND 588. ^s
590, 591, 821	SCF BILLINGS MT 590.
592	WOLF POINT MT 592. ^s
593	MILES CITY MT 593. ^s
594	GREAT FALLS MT 594. ^s
595	HAVRE MT 595. ^s
596	HELENA MT 596. ^s
597	BUTTE MT 597. ^s
598	MISSOULA MT 598. ^s
599	KALISPELL MT 599. ^s
600, 602	SCF PALATINE IL 600.
601, 603	SCF CAROL STREAM IL 601.
604	SOUTH SUBURBAN IL 604. ^s
605	FOX VALLEY IL 605. ^s
606-608	SCF CHICAGO IL 606.
609	KANKAKEE IL 609. ^s
610, 611	SCF ROCKFORD IL 610.
613	LA SALLE IL 613. ^s
614	GALESBURG IL 614. ^s
615, 616	SCF PEORIA IL 615.
617	BLOOMINGTON IL 617. ^s
618, 619	SCF CHAMPAIGN IL 618.
620, 622, 630, 631, 633	SCF ST LOUIS MO 630.
623, 634, 635	SCF QUINCY IL 623.
624	EFFINGHAM IL 624. ^s
625-627	SCF SPRINGFIELD IL 625.
628	CENTRALIA IL 628. ^s
629	CARBONDALE IL 629. ^s
636-639	SCF CAPE GIRARDEAU MO 637.
640, 641, 649	SCF KANSAS CITY MO 640.
644, 645	SCF ST JOSEPH MO 644.
646	CHILLICOTHE MO 646. ^s
647	HARRISONVILLE MO 647. ^s
648, 654-658	SCF SPRINGFIELD MO 656.
650-653	SCF MID-MISSOURI MO 650.
660-662	SCF KANSAS CITY KS 660.
664-666, 668	SCF TOPEKA KS 664.
667	FT SCOTT KS 667. ^s
669, 674	SCF SALINA KS 674.
670-672	SCF WICHITA KS 670.
673	INDEPENDENCE KS 673. ^s
675	HUTCHINSON KS 675. ^s
676	HAYS KS 676. ^s
677	COLBY KS 677. ^s
678	DODGE CITY KS 678. ^s
679, 739	SCF LIBERAL KS 679.
683-685	SCF LINCOLN NE 683.
686, 687	SCF NORFOLK NE 687.
688, 689	SCF GRAND ISLAND NE 688.
690	MCCOOK NE 690. ^s
691	NORTH PLATTE NE 691. ^s
692	VALENTINE NE 692. ^s
693	ALLIANCE NE 693. ^s
700, 701	SCF NEW ORLEANS LA 700.
703	HOUMA LA 703. ^s
704	MANDEVILLE LA 704. ^s
705	LAFAYETTE LA 705. ^s

Column A	Column B
3-digit ZIP code prefix group	Label to
706	LAKE CHARLES LA 706. ^s
707, 708	SCF BATON ROUGE LA 707.
710, 711	SCF SHREVEPORT LA 710.
712	MONROE LA 712. ^s
713, 714	SCF ALEXANDRIA LA 713.
716	PINE BLUFF AR 716. ^s
717	CAMDEN AR 717. ^s
718, 755	SCF TEXARKANA TX 755.
719	HOT SPRINGS NTL PK AR 719. ^s
720-722	SCF LITTLE ROCK AR 720.
724	JONESBORO AR 724. ^s
725	BATESVILLE AR 725. ^s
726	HARRISON AR 726. ^s
727	FAYETTEVILLE AR 727. ^s
728	RUSSELLVILLE AR 728. ^s
729	FORT SMITH AR 729. ^s
730, 731	SCF OKLAHOMA CITY OK 730.
733, 786, 787, 789	SCF AUSTIN TX 786.
734	ARDMORE OK 734. ^s
735	LAWTON OK 735. ^s
736	CLINTON OK 736. ^s
737	ENID OK 737. ^s
738	WOODWARD OK 738. ^s
740, 741, 743	SCF TULSA OK 740.
744	MUSKOGEE OK 744. ^s
745	MCALISTER OK 745. ^s
746	PONCA CITY OK 746. ^s
747	DURANT OK 747. ^s
748	SHAWNEE OK 748. ^s
749	POTEAU OK 749. ^s
750	NORTH TEXAS TX 750. ^s
751-753	SCF DALLAS TX 752.
754	GREENVILLE TX 754. ^s
756	LONGVIEW TX 756. ^s
757	TYLER TX 757. ^s
758	PALESTINE TX 758. ^s
759	LUFKIN TX 759. ^s
760-762, 764	SCF FORT WORTH TX 760.
763	WICHITA FALLS TX 763. ^s
765-767	SCF WACO TX 766.
768, 795, 796	SCF ABILENE TX 795.
769, 797	SCF MIDLAND TX 797.
770-772	SCF HOUSTON TX 770.
773-775	SCF NORTH HOUSTON TX 773.
776, 777	SCF BEAUMONT TX 776.
778	BRYAN TX 778. ^s
779	VICTORIA TX 779. ^s
780-782, 788	SCF SAN ANTONIO TX 780.
783, 784	SCF CORPUS CHRISTI TX 783.
785	MCALLEN TX 785. ^s
790, 791	SCF AMARILLO TX 790.
792	CHILDRESS TX 792. ^s
793, 794	SCF LUBBOCK TX 793.
798, 799, 885	SCF EL PASO TX 798.
800-804	SCF DENVER CO 800.
805	LONGMONT CO 805. ^s
806, 807	SCF BRIGHTON CO 806.
808, 809	SCF COLORADO SPGS CO 808.
810	PUEBLO CO 810. ^s
811	ALAMOSA CO 811. ^s
812	SALIDA CO 812. ^s
813	DURANGO CO 813. ^s
814, 815	SCF GRAND JUNCTION CO 814.
816	GLENWOOD SPRINGS CO 816. ^s
820	CHEYENNE WY 820. ^s
822	WHEATLAND WY 822. ^s
823	RAWLINS WY 823. ^s
824	WORLAND WY 824. ^s
825	RIVERTON WY 825. ^s
826	CASPER WY 826. ^s
827	GILLETTE WY 827. ^s
828	SHERIDAN WY 828. ^s

Column A	Column B
3-digit ZIP code prefix group	Label to
829-831	SCF ROCK SPRINGS WY 829.
832, 834	SCF POCATELLO ID 832.
833	TWIN FALLS ID 833. ^s
835, 994	SCF LEWISTON ID 835.
836, 837, 979	SCF BOISE ID 836.
838, 990-992	SCF SPOKANE WA 990.
840-844	SCF SALT LAKE CITY UT 840.
845-847	SCF PROVO UT 845.
850, 852, 853	SCF PHOENIX AZ 852.
855	GLOBE AZ 855. ^s
856, 857	SCF TUCSON AZ 856.
859	SHOW LOW AZ 859. ^s
860	FLAGSTAFF AZ 860. ^s
863	PRESCOTT AZ 863. ^s
864	KINGMAN AZ 864. ^s
865, 873	SCF GALLUP NM 873.
870-872, 875	SCF ALBUQUERQUE NM 870.
874	FARMINGTON NM 874. ^s
877	LAS VEGAS NM 877. ^s
878	SOCORRO NM 878. ^s
879	TRUTH OR CONS NM 879. ^s
880	LAS CRUCES NM 880. ^s
881	CLOVIS NM 881. ^s
882	ROSWELL NM 882. ^s
883	CARRIZOZO NM 883. ^s
884	TUCUMCARI NM 884. ^s
889-891	SCF LAS VEGAS NV 890.
893	ELY NV 893. ^s
894, 895, 897, 961	SCF RENO NV 894.
898	ELKO NV 898. ^s
900, 901	SCF LOS ANGELES CA 900.
902-905	SCF INGLEWOOD CA 902.
906-908	SCF LONG BEACH CA 907.
910-912	SCF PASADENA CA 910.
913-916	SCF VAN NUYS CA 913.
917, 918	SCF INDUSTRY CA 917.
919-921	SCF SAN DIEGO CA 920.
922	PALM SPRINGS CA 922. ^s
923-925	SCF SAN BERNARDINO CA 923.
926-928	SCF SANTA ANA CA 926.
930	OXNARD CA 930. ^s
931, 934	SCF SANTA BARBARA CA 931.
932, 933	SCF BAKERSFIELD CA 932.
935	MOJAVE CA 935. ^s
936-938	SCF FRESNO CA 936.
939	SALINAS CA 939. ^s
940, 941, 943, 944	SCF SAN FRANCISCO CA 940.
942, 956-958	SCF SACRAMENTO CA 956.
945-948	SCF OAKLAND CA 945.
949, 954	SCF NORTH BAY CA 949.
950, 951	SCF SAN JOSE CA 950.
952, 953	SCF STOCKTON CA 952.
955	EUREKA CA 955. ^s
959	MARYSVILLE CA 959. ^s
960	REDDING CA 960. ^s
967, 968	SCF HONOLULU HI 967.
969	BARRIGADA GU 969. ^s
970-972, 986	SCF PORTLAND OR 970.
973	SALEM OR 973. ^s
974	EUGENE OR 974. ^s
975	MEDFORD OR 975. ^s
976	KLAMATH FALLS OR 976. ^s
977	BEND OR 977. ^s
978	PENDLETON OR 978. ^s
980, 981	SCF SEATTLE WA 980.
982	EVERETT WA 982. ^s
983, 984	SCF TACOMA WA 983.
985	OLYMPIA WA 985. ^s
988	WENATCHEE WA 988. ^s
989	YAKIMA WA 989. ^s
993	PASCO WA 993. ^s
995, 996	SCF ANCHORAGE AK 995.

Column A	Column B
3-digit ZIP code prefix group	Label to
997	FAIRBANKS AK 997. ^s
998	JUNEAU AK 998. ^s
999	KETCHIKAN AK 999. ^s

[Amend title of current L100; remove current L101; no change to L102.]

L100 Priority Mail

[Remove current L201, L202, L203, L701, L703, L704, and L706; add new L600.]

L600 Standard Mail

L601 BMCs—Machinable Parcels

[Insert current L705 with no change in text.]

L602 BMCs—DBMC Rates

[Insert current L708 with no change in text.]

L603 ADCs—Irrregular Parcels

[Insert current L702 with no changes to the ZIP Code ranges or destination information; delete the notes preceding the chart.]

L604 Originating ADCs—Irrregular Parcels

[Insert current L707 with no changes to the ZIP Code ranges or destination information; replace the notes preceding the chart with the following:]

To determine the correct top (destination) line for labels being prepared for containers of mixed ADC mail:

1. Determine the ZIP Code of the *origin* post office (i.e., the post office where the mail is to be entered and postage paid);
2. Locate the first three digits of that ZIP Code under "Originating ZIP Codes" in the left column;
3. Read across the line to the entry under "Label To" in the right column;
4. Use this entry as the top line of the label for all mixed ADC containers in the mailing.

* * * * *

L800 Automation Rate Mailings

L801 AADCs—Letter-Size Mailings

[Text of current L804 with no change except revise footnote 2 as follows:]

²For Regular Periodicals and other than Nonprofit Standard Mail (A) mailings.

L802 BMC/ASF Entry—Periodicals and Standard Mail (A)

[Insert current L805 with no change in text.]

L803 Non-BMC/ASF Entry—Periodicals and Standard Mail (A)

[Insert current L806 with no change in text.]

L897 3-Digit Destinations—Automated Site Mailings (Preferred Periodicals and Nonprofit Standard Mail Only)

[Insert current L801 with no change in text.]

L898 SCFs—Automated Site Mailings (Preferred Periodicals and Nonprofit Standard Mail Only)

[Insert current L802 with no change in text.]

L899 AADCs—Automated Site Mailings (Preferred Periodicals and Nonprofit Standard Mail Only)

[Insert current L803 with no change in text.]

M000 General Preparation Standards

M010 Mailpiece Preparation

[Redesignate current M011 as M012; add new M011, based on M020.1.1, M020.1.4, M020.1.5, and M020.1.7, as follows:]

M011 General Preparation Standards

1.0 Basic Preparation Terms and Definitions

1.1 Presort Process

Presort is the process by which a mailer prepares mail so that it is sorted to at least the finest extent required by the standards for the rate claimed. Generally, presort is performed sequentially, from the lowest (finest) level to the highest level, to those destinations specified by standard and is completed at each level before the next level is prepared. Not all presort levels are applicable in all situations.

1.2 Presort Levels

Terms used for presort levels are defined as follows:

- a. *Firm*: all pieces for delivery at the address shown on the top piece.
- b. *Carrier route*: all pieces for delivery to the same city route, rural route, highway contract route, post office box section, or general delivery unit.
- c. *5-digit*: the delivery address on all pieces includes the same 5-digit ZIP Code.

d. *3-digit*: the ZIP Code in the delivery address on all pieces begins with the same three digits (see L002, Column A, or L897, as applicable).

e. *Unique 3-digit*: the ZIP Code in the delivery address on all pieces begins with the same three digits, and that the 3-digit prefix is so identified in L002, Column A.

f. *3-digit scheme*: the ZIP Code in the delivery address on all pieces begins with one of the 3-digit prefixes processed by the USPS as a single scheme (see L003); see 1.3g.

g. *Origin 3-digit(s)*: the ZIP Code in the delivery address on all pieces begins with one of the 3-digit prefixes processed at the SCF in whose service area the mail is verified. Subject to standard, a separation is required for each such 3-digit area regardless of the volume of mail.

h. *SCF*: the separation includes pieces for two or more 3-digit areas served by the same SCF (see L005 or L898 as applicable), *except that*, where required or permitted by standard, mail for a single 3-digit area may be prepared in an SCF separation when no mail for other 3-digit ZIP Code areas is available.

i. *ADC/AADC*: all pieces are addressed for delivery in the service area of the same ADC or AADC (see L004, L801, or L899, as applicable).

j. *ASF/BMC*: all pieces are addressed for delivery in the service area of the same ASF or BMC (see L601 or L602, as applicable).

k. *Mixed [BMC, ADC, AADC, etc.]*: the pieces are for delivery in the service area of more than one BMC, ADC, AADC, etc.

l. *Residual* pieces/packages/sacks contain material left over after completion of a presort sequence. Residual mail lacks the volume set by standard to require or allow package or bundle preparation to a particular destination, and usually does not qualify for a presort rate. Residual mail is also referred to as *nonqualifying* or *working* mail.

1.3 Preparation Instructions

For purposes of preparing mail:

- a. *Pieces* refers to individually addressed mailpieces. This definition also applies when pieces is used in eligibility standards. Quantities indicated for optional or required

sortations always refer to pieces unless specifically excepted.

b. A *full* letter tray (1- or 2-foot) is one in which faced, upright pieces fill the tray to its capacity whenever practical, but never less than at least 3/4 of its length. Each tray must be filled before filling of the next tray is begun, with the contents in multiple trays relatively balanced. A tray with less mail may be prepared only if less-than-full or overflow trays are permitted by the standards for the rate claimed. Tray preparation is described in M033.

c. A *less-than-full* letter tray is one that contains mail for the same destination regardless of quantity or whether a full tray was previously prepared for that destination. Less-than-full trays may be prepared only if permitted by the standards for the rate claimed.

d. An *overflow* letter tray is a less-than-full tray that contains all pieces remaining after preparation of full trays for the same destination. Overflow trays may be prepared only if permitted by the standards for the rate claimed.

e. A *full* flat tray is one that is physically full. Although a specific minimum volume is required (at least a single stack of mail lying flat on the bottom of the tray and filling the tray to the bottom of the handholds) before a tray may or must be prepared to the corresponding presort destination, trays must be filled with additional available pieces, (up to the reasonable capacity of the tray) when standards require preparation of *full* trays.

f. A *full* sack is defined in the standards for the class and rate claimed.

g. A *3-digit/scheme* sort yields 3-digit scheme trays for those 3-digit ZIP Code prefixes listed in L003 and 3-digit trays for other areas. The 3-digit ZIP Code prefixes in a scheme are treated as a single presort destination that is subject to a single minimum tray volume. No further separation by 3-digit prefix is required for pieces placed in 3-digit scheme trays. Trays prepared for a 3-digit scheme destination (i.e., one of the facilities listed in L003) that happen to contain pieces for only one of the scheme 3-digit areas are still considered 3-digit scheme sorted and are labeled accordingly. The 3-digit/scheme sort is required for automation rate First-Class, Regular Periodicals, and Regular Standard Mail letter-size pieces and may not be used by mail at other rates.

h. An *origin 3-digit* tray contains all mail (regardless of quantity) for a 3-digit ZIP Code area processed by the SCF in whose service area the mail is verified. If more than one 3-digit area is served,

as indicated in L005, a separate tray must be prepared for each.

i. The *required at [quantity]* instruction (e.g., "required at 10 pieces") means that the particular unit must be prepared for the corresponding presort level whenever the specified quantity of mail is reached or exceeded. Packages, bundles, and containers may contain more than the specified *required* at quantity up to the applicable maximum physical size. Subject to applicable rate eligibility standards, smaller quantities may be prepared only if permitted. Where specified by standard, required preparation applies only if the mailer chooses to qualify for the corresponding rate.

j. The *optional at [quantity]* instruction means that the particular unit *may* be prepared for the corresponding presort level whenever the specified quantity of mail is reached or exceeded. Packages, bundles, or containers may contain more than the specified *optional* at quantity up to the applicable maximum physical size. Smaller quantities may be prepared only if permitted by applicable rate eligibility standards. Standards for quantities with which preparation is optional are often followed by standards for larger quantities with which preparation is required.

k. *Entry [facility] (or origin [facility])* refers to the USPS mail processing facility (e.g., "entry BMC") that serves the post office at which the mail is entered by the mailer. If the post office where the mail is entered is not the one serving the mailer's location (e.g., for plant-verified drop shipment), the post office of entry determines the *entry* facility. *Entry SCF* includes both single- and multi-3-digit SCFs. *Entry BMC* includes subordinate ASFs unless otherwise specified.

l. *Smaller quantities not permitted or fewer pieces not permitted* disallows preparation of quantities of mail smaller than that stated as the minimum required.

m. The *group* pieces instruction means the pieces are to be sorted together as if to be packaged but not actually secured into a package. Package labels and other package identification methods may be used for unsecured groups of pieces as permitted by standard.

n. A *package* is a group of addressed pieces secured together as a unit. The presort process considers the total number of pieces available for the particular presort destination and assembles them into groups meeting applicable volume and size standards. When the standards applicable to the rate claimed require securing the pieces

in each group together, the result is a package. The term *package* does not apply to unsecured groups of pieces (e.g., pieces prepared in trays and identified by separator cards). Package preparation is described in M020.

o. A *bundle* is a group of packages secured together as a unit under the standards applicable to the rate claimed.

1.4 Mailing

A mailing is a group of pieces within the same class of mail and processing category that may be sorted together under the applicable standards. Other specific standards may define whether separate mailings may be combined, palletized, reported, or deposited together. These types of mail may not be part of the same mailing regardless of being in the same class and processing category: automation and nonautomation mail (except as permitted by the "85% rule" where applicable); automation carrier route rate and other automation rate mail; any combination of Enhanced Carrier Route, Regular, and/or Nonprofit Standard Mail; 3/5 and carrier route Nonprofit Standard Mail.

2.0 Presort Accuracy Validation and Evaluation (Pave)

2.1 Basic Information

The Presort Accuracy Validation and Evaluation (PAVE) program is a process designed in cooperation with the mailing industry to evaluate presort software and determine its accuracy in sorting address files under DMM standards. PAVE is available only to software and hardware manufacturers (i.e., companies that actually develop presort software or manufacture presorting equipment). PAVE certification does not guarantee acceptance of customer mail prepared with PAVE-validated hardware/software.

2.2 Process

PAVE evaluates the accuracy of presort products by providing test address files to vendors. Vendors process the test file(s) through their presort software or hardware and return the resulting postage statement facsimile(s) and other presort documentation to the USPS National Customer Support Center (NCSC) for evaluation of the answers. Each test file is evaluated for its accuracy of presort, compliance with current DMM standards, accuracy of sack/tray/pallet tag labels, and general acceptability of computer-generated facsimiles of postage statements and other presort documentation. If the answers are

accurate, the vendor's presort product is validated for a 12-month period or until the end of the current annual period.

2.3 Participation

For information on participation in PAVE, presort product developers may request the PAVE *Program Technical Guide* from the NCSC by calling 1-800-331-5746, extension 651 or 454. Participants may use the PAVE form included in that guide to order PAVE test files.

M012 Endorsements and Markings

[In 1.1a, replace "First-, third-, and fourth-class mail" with "First-Class or Standard Mail"; in 1.1b, replace "[S]econd-class mail" with "Periodicals"; revise other text as follows:]

* * * * *

2.0 METHOD

2.1 Placement

Unless otherwise directed or permitted by standard, placement of markings is subject to these standards:

a. The required rate markings "First-Class," "Presorted First-Class," "Bulk Rate," "Nonprofit" (or approved abbreviations) must be printed or produced as part of, or immediately below or to the left of, the permit imprint, meter impression or stamp, or precanceled or adhesive stamp.

b. Other required rate markings (e.g., "AUTO," "Carrier Route Presort," "ECRLT") may be placed in the locations shown in 2.1a or, alternatively, may be placed in the address area on the line immediately above the address or, preferably, two lines above the address if no other information appears on the line with the marking except postal information such as package label and ACS information; in the optional endorsement line (under M013); or carrier route information line (under M014). Alternatively, the mailer may use an MLOCR-driven ink jet printer to apply these markings to the left of the DPBC or to apply AUTO or AUTOCR to the left of a corrected date.

c. Compound markings (e.g., "AUTOCR," "ECRLT") must appear in their entirety wherever placed.

* * * * *

[Remove current 2.3 and renumber current 2.4 and 2.5 as 2.3 and 2.4, respectively.]

* * * * *

M013 Optional Endorsement Lines

[In the current chart following 1.1, remove the three examples for optional SDC, state, and mixed-states packages; in 1.2 and 2.1, replace "[T]hird-[C]lass" with "Standard Mail (A)"; revise other text as follows:]

1.0 Use

1.1 Basic Standards

Mailers may prepare mailings without applying pressure-sensitive package labels or facing slips to the top piece of packages by using a specific optional endorsement line (OEL) above the address block or on the address label on the top piece of a package as shown below. Use of OELs on bundles is subject to the standards for the rate claimed.

Package type	Optional endorsement line
Firm	***** FIRM 12345.
Carrier Route, (Nonprofit Standard Mail, Regular and Preferred Periodicals).	***** CAR-RT SORT**C-001.
Carrier Route (Basic, High Density, and Saturation Enhanced Carrier Route Standard Mail).	
	***** ECRLT**C-001.
	***** ECRWSH**C-001.
	***** ECRWSS**C-001.
Carrier Route (Automation rate First-Class and automation rate Enhanced Carrier Route and Regular Standard Mail).	AUTOCR**C-001.
5-Digit	***** 5-DIGIT 12345.
Optional City (Preferred Periodicals only)	***** MIXED CITY 12345 (Use lowest 5-digit ZIP Code assigned to that city.)
3-Digit	***** 3-DIGIT 771.
SCF	***** SCF 750 (Use correct 3-digit SCF code as shown in L002, Column C.)
ADC	***** ALL FOR ADC [nnn] (Mailer may insert 3-digit ZIP Code prefix of ADC.)
Mixed ADC	***** MIXED ADC [nnn] (Mailer may insert 3-digit ZIP Code prefix of ADC.)
AADC (Preferred Periodicals and Nonprofit Standard Mail only)	***** ALL FOR AADC [nnn] (Mailer may insert 3-digit ZIP Code prefix of AADC.)
Mixed AADC (Preferred Periodicals and Nonprofit Standard Mail only) .	***** MIXED AADC [nnn] (Mailer may insert 3-digit ZIP Code prefix of AADC.)
Working (Preferred Periodicals and Nonprofit Standard Mail only)	***** WORKING.

* * * * *

1.4 Rate Markings

At the mailer's option, rate markings required by the standards for the rate claimed may be included in the OEL if the OEL appears on each piece in the mailing and if it remains a single line with the basic package label information (required by 1.1) at the right end (e.g., on a carrier route package of Enhanced

Carrier Route Saturation Standard Mail: ****ECRWSS**C-001; on an automation Regular Standard Mail 3-digit package: ****AUTO**3-DIGIT 750).

2.0 Format

* * * * *

2.6 ZIP Code

Except for carrier route packages, ADC, AADC, mixed ADC, mixed AADC, and (as applicable) working residual packages, the optional endorsement line must include the appropriate ZIP Code information. ADC, AADC, mixed ADC, and mixed AADC OELs may include the 3-digit ZIP Code prefix of the destination facility. Mixed ADC bundles

of bound printed matter must have facing slips as specified in M630. Carrier route OELs must show carrier route information under M014.

M014 Carrier Route Information Lines

[Replace current 1.1 and 1.2 with new 1.0 as follows:]

1.0 Basic Information

Packages for individual carrier routes, rural routes, highway contract routes, post office box sections, or general delivery units may be prepared without facing slips if prepared with optional endorsement lines under M013 or with carrier route information lines under 2.0. These standards apply to automation Carrier Route rate First-Class, carrier route and Level I/K Periodicals, automation Basic Carrier Route rate and Enhanced Carrier Route Standard Mail, and carrier route bound printed matter mailings. Carrier route information lines may be on all pieces in a carrier route mailing, regardless of presort level.

2.0 Format and Content

2.1 Route Information

Carrier route information consisting of a descriptive prefix (or its abbreviation), plus a route number or numeric code, must be on the top line of the address, either alone or with other information (e.g., addressee, account data). Alternatively, when permitted by standard, the carrier route information may appear with the applicable carrier route endorsement on the line above or two lines above the address if the carrier route rate marking is in the address area (see Exhibit 2.1).

Address Formats With Carrier Route Information

Exhibit 2.1

**CARRIER ROUTE 011

RESIDENT, 1300 WATERFORD DR,
DISTRICT HEIGHTS MD 20747

**C-011

RESIDENT, 1300 WATERFORD DR,
ENDICOTT NY 13760

**RURAL ROUTE 005

RESIDENT, 1602 COUNTRY LN,
BURKE VA 22015

**R 15005

POSTAL CUSTOMER

**C 127

CAR-RT SORT, RESIDENT, 2711
ORDWAY ST NW, WASHINGTON
DC 20008

**C011

AUTOOCR, RESIDENT, 1300
WATERFORD DR, DISTRICT
HEIGHTS MD 20747

2.2 Descriptive Prefix

The descriptive prefix "carrier route," "rural route," "highway contract route," "post office box section," or "general delivery unit" must be spelled out or abbreviated as shown below.

Carrier Route—C

General Delivery Unit—G

Highway Contract Route—H

Post Office Box Section—B

Rural Route—R

2.3 Route Code

These conditions apply to route codes:

a. The one-character descriptive prefix in 2.2 must be followed by a 3-digit route or post office box section number.

b. On Periodicals and Standard Mail pieces bearing a simplified address that does not include a ZIP Code, the descriptive prefix in 2.2 must be followed by a route code that begins with the last two digits of the 5-digit ZIP Code and is followed by the route code in 2.3a.

c. The descriptive prefix and route code required for simplified address mailings in 2.3b may also be used on mailings of any class that contain a ZIP Code in the address.

[Replace current 2.4, 2.5, and 2.6 with new 2.4 as follows:]

2.4 Other Contents

Other elements of the carrier route information line include:

a. The carrier route code must be preceded by at least two asterisks (**) or other distinctive nonalphabetic or nonnumeric characters.

b. At least 10 spaces must be reserved for the carrier route code if other information is included on the top line.

c. The carrier route information line may also contain the basic markings required by standard for the class of mail and rate claimed if all the information remains on a single line with the basic information (required by 2.1) at the right end (e.g., on a carrier route package of Enhanced Carrier Route Saturation rate mail). No information other than postal information appears on that line, and the carrier route information line is the top line of the address:

* * * * * ECRWSS**C-001

POSTAL CUSTOMER

M020 Packages and Bundles

1.0 Basic Standards

[Move current 1.1, 1.4, 1.5, and 1.7 to M011; renumber current 1.2, 1.3, and 1.6 as 1.1, 1.2, and 1.3, respectively;

revise renumbered 1.3, and add new 1.4 and 1.5 as follows:]

* * * * *

1.3 Labeling

Unless excepted by standard, each package (other than carrier route packages) must be identified with the pressure-sensitive package label specified in the standards for the class and rate claimed. On letter-size and card-size mail, the label must be placed in the lower left corner of the address side of the top piece in the package. On flat-size mail, the label must be placed on the address side of the top piece in the package. An optional endorsement line may be used in lieu of a pressure-sensitive label, subject to M013.

1.4 Palletization

Packages and bundles placed on pallets must be able to withstand normal transit and handling without breakage or injury to USPS employees. Heavy-gauge shrinkwrap over plastic banding, only shrinkwrap, or only banding material is acceptable if the package or bundle can stay together during normal processing. Packages and bundles placed on BMC and mixed BMC pallets must be shrinkwrapped and machinable on BMC parcel sorters; machinability is determined by the USPS. If used, banding material must be applied at least once around the length and once around the girth; wire and metal strapping are prohibited.

1.5 Exception to Package Size

An individual package may be prepared with fewer than the minimum number of pieces required by the standards for the rate claimed, without loss of rate eligibility, under either of these conditions:

a. A greater number of pieces would exceed the maximum physical size for a package and the total number of pieces for that presort destination meets the minimum volume standard (e.g., 30 pieces are available to meet a 10-piece minimum, but a package of 8 pieces is 6 inches thick).

b. The pieces constitute the "last package" for a presort destination and previously prepared packages met the applicable minimum volume standard (e.g., 505 pieces prepared in ten 50-piece packages and one 5-piece package).

1.6 Exception to Package Preparation

In package-based mailings not entirely of card-size pieces, mail need not be prepared in 5-digit packages when it will be placed in a full 5-digit tray. Similarly, mail need not be prepared in other levels of packages when it will be

placed in a full tray to the corresponding tray level, and none of the mail in that tray would have been more finely sorted if packaged. *For example, the contents of a full ADC tray need not be packaged if, when correctly sorted, it would have all been prepared in ADC packages to the same destination; conversely, this exception would not apply if some pieces would require preparation in 5-digit or 3-digit packages).*

[Revise current 2.0 as follows:]

2.0 Additional Standards—Preferred Periodicals and Nonprofit Standard Mail

2.1 Nonautomation Rate Mailings

Nonautomation rate mailings are subject to these additional standards:

a. Maximum package thickness is 4 inches for letter-size walk-sequence rate mail and 6 inches for other letter-size mail.

b. Packages of letter-size mail up to 1 inch thick must be secured with appropriate banding applied around the girth. Thicker packages must be secured with at least two bands, the first placed around the length and the second around the girth.

c. When a simplified address is used, all pieces for the same post office must be prepared in packages of 50 when possible. If packages of other quantities are prepared, the actual number of pieces must be shown on the facing slip that must be attached to show distribution desired (e.g., rural route, city route, post office boxholder).

2.2 Automation Rate Mailings

Automation rate mailings are subject to these additional standards:

a. Maximum package thickness is 6 inches for letter-size mail.

b. Packages must be prepared for mailings consisting entirely of card-size pieces, and for mail placed in residual AADC trays (package-based mailings), mixed AADC trays, or overflow trays (tray-based mailings).

c. Packages must not be prepared in full trays in tray-based mailings of larger than card-size pieces except in residual AADC and mixed AADC trays and as permitted by standard for oversize pieces.

d. Packages must be secured with rubber bands, elastic strapping, flat plastic strapping, or string placed once around the girth (narrow dimension) on packages up to 1 inch thick. Thicker packages must be secured twice, with the first rubber band or elastic strap placed around the length and the second around the girth. Additional ties may be used if none lies along the outer 1 inch of any package edge.

e. Elastic strapping must have a minimum strength of 15 pounds and a minimum of 150% elongation prior to breaking. Minimum tension, when applied to the bundle, must be 50% breaking strength. Elastic strapping may not be used unless approved by USPS Engineering. A mailer wanting to have elastic strapping material tested for acceptability must provide 25 packages (five each: 6 inches, 4 inches, 2 inches, 1 inch, and 10 pieces) strapped with the tested material. The mailer must send the material with a letter of request to USPS Engineering at least 6 weeks before the planned date of mailing. The mailer is notified in writing by the USPS. If the USPS approves the material, that letter (showing a unique number) serves as evidence that the material meets USPS standards. A copy of the letter must be attached to each postage statement provided for mailings that use the approved strapping material. The mailer must be able to show when requested that the strapping material on a mailing is the same as that approved.

f. Separator cards:

(1) May be used instead of packaging (except for card-size pieces) to identify groups of pieces in full 3-digit and SCF trays in package-based mailings.

(2) May be prepared from any paper or card stock.

(3) Must be at least 1/4 inch higher than the highest piece in the mailing.

(4) Must be placed in front of the corresponding groups of mail.

g. Except in package-based mailings under M894 and M895, if groups of pieces are identified by separator cards, the required pressure-sensitive package label must be placed on the separator card or in the lower left corner of the first piece behind it. Alternatively, the descriptive words "5-Digit" or "3-Digit," as appropriate for the group, may appear on the separator card. If placed on separator cards, the pressure-sensitive label or descriptive words must be at the top of each card in a position easily read when the card is in a tray.

h. In three-tier package-based Barcoded rate mailings under M895, pieces in AADC overflow trays must be secured into 5-digit packages in the 5-digit tier, and 3-digit packages in the 3-digit tier. These packages require no labeling.

i. In tray-based mailings, pieces in 5-digit overflow trays must be secured into and labeled as 5-digit packages. Pieces in 3-digit overflow trays and SCF overflow trays must be secured into and labeled as 3-digit packages.

[Revise current 3.0 as follows:]

3.0 Additional Standards—First-Class Mail and Other Periodicals and Standard Mail (A)

3.1 Cards and Letter-Size Pieces

Cards and letter-size pieces are subject to these specific packaging standards:

a. The maximum thickness for packages of walk-sequence rate mail is 4 inches. The maximum thickness for other packages is 6 inches.

b. Mailings consisting entirely of card-size pieces must always be prepared in packages.

c. Packages must be prepared in all less-than-full trays, for nonupgradable Presorted First-Class, nonupgradable Regular Standard Mail, and for nonautomation Regular Periodicals.

d. Separator cards may be used instead of packaging for carrier route groups in full 5-digit carrier routes trays of nonautomation Enhanced Carrier Route mail. Separator cards must be used instead of packaging for carrier route groups in full trays of automation Carrier Route First-Class and automation Enhanced Carrier Route Standard Mail. Separator cards must be prepared from paper or card stock, must be at least 1/4 inch higher than the highest piece in the mailing, and must be placed in front of the corresponding groups of mail.

e. For mailings consisting entirely of card-size pieces and mail in less-than-full trays, packages must be secured with rubber bands, elastic strapping, flat plastic strapping, or string. (Elastic strapping must have a minimum strength of 15 pounds and a minimum of 150% elongation prior to breaking. Minimum tension, when applied to the bundle, must be 50% breaking strength. Elastic strapping may not be used unless approved by USPS Engineering. If requested, the mailer must be able to show such approval for the strapping material used for a mailing.)

3.2 Flat-Size Pieces

Flat-size pieces are subject to these specific packaging standards:

a. Though not subject to a specific thickness limit, packages of flats must be secure and stable, and are subject to specific weight limits if palletized.

b. Flat-size pieces must always be prepared in packages unless excepted by standard.

3.3 All Pieces

All pieces are subject to these standards:

a. For mail prepared with a simplified address, all pieces for the same post office must be prepared in packages of 50 when possible. If packages of other

quantities are prepared, the actual number of pieces must be shown on the facing slip that must be attached to show distribution desired (e.g., rural route, city route, post office boxholder).

b. Packages up to 1 inch thick must be secured with appropriate banding placed once around the girth (narrow dimension). Thicker packages must be secured with at least two bands, the first placed around the length and the second around the girth so that the second band crosses over the first. Additional ties may be used if none lies along the outer 1 inch of any package edge.

* * * * *

[In 4.2b, replace "Second-class" with "Periodicals."]

[Remove current 5.0 and 6.0.]

M030 Container Preparation

M031 Labels

[In 1.7 and 4.13, replace "second-class" in the heading and text with "Periodicals" and replace "2C" with "PER"; in 2.1a, replace "First-, third-, and fourth-class mail" with "First-Class and Standard Mail" and replace "second-class mail" with "Periodicals"; in 2.1d, replace "15/16 inch" and "31/32 inch" with "0.937 inch" and "0.980 inch," respectively; in 3.2a, replace "First- and third-class mail" with "First-Class and Standard Mail (A)" and replace "second-class mail" with "Periodicals"; in 4.2, replace "second-class mail" with "Periodicals" and replace "third- or fourth-class mail" with "Standard Mail"; in 4.8, add "(Preferred Periodicals only)" after "optional city," replace "second-class" with "Periodicals," and replace "third-class" with "Standard Mail"; in 4.12c, replace "third- and fourth-class" with "Standard Mail"; in 4.14, replace "second-class mail" with "Periodicals" and "2C" with "PER"; in 5.0 (chart), replace "First- and third-class" with "First-Class and Standard Mail (A)," replace "second- or third-class" with "Periodicals or Standard Mail (A)," replace "First-, second-, and third-class" with "First-Class, Periodicals, and Standard Mail (A)," replace "third-class" with "Standard Mail (A)," and replace "[T]hird- and [F]ourth-[C]lass" with "Standard Mail"; revise 1.1 as shown below; no other change in text.]

1.0 Sack and Tray Labels

1.1 Basic Standards

Only sack labels may be used for sacks, only tray labels for trays. Machine-printed labels (available from the USPS) ensure legibility. Legible

hand-printed labels are acceptable. Illegible labels are not acceptable.

* * * * *

M032 Barcoded Container Labels

1.0 Barcoded Tray Labels

1.1 Standards

Effective January 1, 1997, barcoded tray labels are required for automation rate mailings of First-Class, Regular Periodicals, and Regular and Enhanced Carrier Route Standard Mail letter-size pieces and First-Class flat-size pieces. Barcoded tray labels may be used earlier and may be used on any other mailing. Mailer-produced barcoded tray labels must meet the standards below.

[In 1.2, replace "First- and third-class mail" with "First-Class and Standard Mail (A)" and replace "second-class mail" with "Periodicals."]

* * * * *

1.3 Printed Text Lines

* * * * *

d. The human-readable printed text lines, unless otherwise noted, must be printed in easily readable uppercase letters, with no run-on letters, in the approximate locations shown in Exhibit 1.3a. The printing must have an effective font density of no greater than 12 characters per inch; font density can be proportional.

* * * * *

f. The printed destination line must have a minimum character height of 0.135 inch and a maximum character density of approximately 17 characters per inch. The corresponding ZIP Code must have a minimum character height of 0.190 inch and a maximum character density of approximately 10 characters per inch. The destination line must accommodate at least 21 characters in the destination name and 5 characters in the corresponding ZIP Code. Only the correct 3-digit ZIP Code prefix is to be printed when the required labeling for a tray includes only a 3-digit ZIP Code prefix for Line 1.

g. The printed contents line must have a minimum character height of 0.135 inch. The contents line must accommodate at least 21 characters.

h. The printed numeric barcode line must have a maximum character height of 0.085 inch and must accommodate 10 characters.

i. The printed origin line must have a maximum character height of not less than 0.085 inch and must accommodate at least 21 characters.

1.4 Zebra Code

The zebra code is a series of diagonal lines to the right of the barcode that

serves solely as a visual indication that a tray contains barcoded mail. The code must not appear on tray labels for nonbarcoded mail. The diagonal marks must each be from 0.25 to 0.375 inch high, and from 0.125 to 0.25 inch wide, separated by blank spaces equal size in size to the diagonal marks.

1.5 Barcode

* * * * *

b. It must be on the left side of the tray label. A clear space of at least 0.05 inch must be maintained to the left and the right of the barcode for its full height, and of at least 0.070 inch above and below the barcode for its full width. The barcode must not extend more than 2.0 inches to the right from the left edge of the label. The top of the barcode must be not less than 0.6 inch from the top of the label. The bottom of the barcode must be no more than 1.5 inches from the top of the label.

c. The width of the narrow bars and spaces ("X" dimension) must be between 0.012 inch and 0.016 inch and uniform within the barcode; the optimum narrow bar width is 0.015 inch. The tolerance of the width of all bars and spaces is ± 0.004 inch and is not cumulative. The maximum irregularity in the edge straightness of any bar element is 0.3 times the "X" dimension.

d. The height of the barcode must be from 0.65 inch to 0.75 inch.

e. The wide-to-narrow ratio for barcodes must be between 3 to 1 and 2.3 to 1 and uniform within the barcode; the optimum ratio is 3 to 1.

f. When measured at 633 nanometers, bar reflectance must be less than 30%; space reflectance must be more than 40%. The bar-to-space reflectance difference must be more than 40 percentage points.

g. There must be a clear area (quiet zone) at each end of the barcode not less than 10 times the "X" dimension. The clear area must meet the space reflectance specification in 1.5f.

* * * * *

Exhibit 1.3c—Contents Identifier Codes

CIN/Mail Type

001	FCM
004	FCM FLTS
006	FCM FLTS NON-BC
008	FCM LTRS BC
013	FCM LTRS BC WKG
017	FCM PRESORT
018	FCM PRESORT RESID PKS
020	FCM WKG
021	FCM CR-RT
022	FCM CR- RTS
023	FCM MXD CR-RTS
024	FCM RURAL RT
025	FCM HWY CONTRACT RT

026	FCM BOX SECT	207	PER MXD STATES
027	FCM GEN DEL UNIT	208	PER APO
028	FCM FLTS BARCODED WKG	209	PER FPO
029	FCM LTRS 5D NON-OCR	216	PER APO/FPO
030	FCM LTRS 3D NON-OCR	218	PER LTRS BC SCHEME
031	FCM LTRS ADC NON-OCR	220	PER CITY
032	FCM LTRS NON-OCR WKG	221	PER ZIP+4 PRESORT
033	STD LTRS 5D NON-OCR	222	PER LTRS BC
034	STD LTRS 3D NON-OCR	223	PER LTRS BC WKG
035	STD LTRS ADC NON-OCR	224	PER FLTS BC
036	STD LTRS NON-OCR WKG	225	PER FLTS BC WKG
040	PRIORITY	226	PER LTRS CR-RT
041	PRIORITY LTRS	227	PER LTRS CR-RT BC
042	PRIORITY FLTS	228	PER LTRS CR-RTS
043	PRIORITY PARCELS	229	PER LTRS CR-RTS BC
044	PRIORITY DROP SHIP	230	PER CANADA
058	FCM LTRS UPGR WKG	231	PER FOREIGN
060	EXPRESS MAIL	232	PER MEXICO
061	EXPRESS DROP SHIP	233	PER FLTS CR-RT
063	FCM LTRS CR-RT BC	234	PER FLTS CR-RT BC
064	FCM LTRS CR-RTS BC	235	PER FLTS CR-RTS
072	FCM LTRS 5D UPGR	236	PER FLTS CR-RTS BC
077	FCM LTRS 3D UPGR	300	STD FLTS
083	FCM LTRS AADC UPGR	301	STD FLTS CR-RT
084	FCM AADC LTRS BC	302	STD FLTS RR
085	FCM LTRS BC SCHEME	303	STD FLTS HC
086	FCM IRREG PARCELS	304	STD FLTS BOX SECT
087	APO	305	STD FLTS GEN DEL
088	FPO	306	STD FLTS MXD CR-RTS
089	MEXICO	307	STD FLTS MXD 5-DG PKS
090	CANADA	308	STD FLTS MXD STATES
091	FOREIGN	312	STD IRREG
092	APO/FPO	313	STD MACH AND IRREG
100	NEWS	314	STD MACH
101	NEWS CR-RT	316	STD FLTS APO/FPO
102	NEWS RURAL RT	317	STD FLTS CR-RTS
103	NEWS HWY CONTR RT	318	STD FLTS APO
104	NEWS BOX SECT	319	STD FLTS FPO
105	NEWS GEN DEL UNIT	320	STD FLTS CITY
106	NEWS CR-RTS	321	STD FLTS IRREG CITY
107	NEWS MXD STATES	324	STD FLTS BC
108	NEWS APO	325	STD FLTS BC WKG
109	NEWS FPO	329	STD FLTS MEXICO
111	NEWS LTRS CR-RT	330	STD FLTS CANADA
112	NEWS LTRS CR-RT BC	331	STD FLTS FOREIGN
113	NEWS LTRS CR-RTS	332	STD FLTS CR-RT BC
114	NEWS LTRS CR-RTS BC	333	STD FLTS CR-RTS BC
116	NEWS APO/FPO	400	STD LTRS
118	NEWS LTRS BC SCHEME	401	STD LTRS CR-RT
120	NEWS CITY	402	STD LTRS RR
121	NEWS ZIP+4 PRESORT	403	STD LTRS HC
122	NEWS LTRS BC	404	STD LTRS BOX SECT
123	NEWS LTRS BC WKG	405	STD LTRS GEN DEL
124	NEWS FLTS BC	406	STD LTRS MXD CR-RTS
125	NEWS FLTS BC WKG	407	STD LTRS MXD 5-DG PKS
126	NEWS FLTS CR-RT	408	STD LTRS MXD STATES
127	NEWS FLTS CR-RT BC	413	STD LTRS 5D UPGR
128	NEWS FLTS CR-RTS	414	STD LTRS 3D UPGR
129	NEWS FLTS CR-RTS BC	415	STD LTRS AADC UPGR
130	NEWS CANADA	416	STD LTRS APO/FPO
131	NEWS FOREIGN	417	STD LTRS CR-RTS
132	NEWS MEXICO	418	STD LTRS APO
200	PER	419	STD LTRS FPO
201	PER CR-RT	420	STD LTRS CITY
202	PER RURAL RT	421	STD ZIP+4 PRESORT
203	PER HWY CONTR RT	422	STD LTRS BC
204	PER BOX SECT	423	STD LTRS BC WKG
205	PER GEN DEL UNIT	424	STD LTRS UPGR WKG
206	PER CR-RTS	428	STD LTRS BC SCHEME

429	STD LTRS MEXICO
430	STD LTRS CANADA
431	STD LTRS FOREIGN
432	STD LTRS CR-RT BC
433	STD LTRS CR-RTS BC
440	STD IRREG PARCELS
529	STD MACH MEXICO
530	STD MACH CANADA
531	STD MACH FOREIGN
600	STD IRREG
601	STD IRREG CR-RT
602	STD IRREG CR-RTS
603	STD IRREG MXD STATES
615	STD IRREG MEXICO
620	STD FLTS CITY
621	STD IRREG CITY
630	STD IRREG CANADA
631	STD IRREG FOREIGN

2.0 Barcoded Sack Labels

[Replace current 2.1 and 2.2 with new 2.1 as follows:]

2.1 Standards

Effective January 1, 1997, barcoded sack labels meeting the standards in this section are required for automation rate Regular Periodicals and Standard Mail flat-size pieces prepared in sacks. These sack labels may be used earlier and may be used for other Periodicals and Standard Mail prepared in sacks.

[Renumber current 2.3, 2.4, and 2.5 as 2.2, 2.3, and 2.4, respectively; in renumbered 2.4e, replace the reference "2.5d" with "2.4d"; in renumbered 2.4f, replace "200 (2C)" with "200 (PER)."]

* * * * *

2.2 Specifications

a. Sack labels for Standard Mail must be printed on white or manila label stock; for Periodicals, on pink stock.

b. The paper stock must be 70 pounds or heavier.

c. Each label must be from 0.937 inch to 0.980 inch high.

d. Each label must be from 3.250 inches to 3.374 inch long.

2.3 Text Lines

* * * * *

c. The human-readable printed text lines, unless otherwise noted, must be printed in easily readable uppercase letters, with no run-on letters, in the approximate locations shown in Exhibit 1.3a. The printing must have an effective font density of no greater than 15 characters per inch; font density can be proportional. When the information cannot be shortened by acceptable postal abbreviations, it may be printed in a compressed font. At least 22 human-readable characters for the destination must fit on the label without interfering with the quiet zone. The minimum acceptable height for the destinating ZIP Code is 0.111 inch. The

minimum acceptable character height for all other information for Lines 1, 2, and 3 is 0.083 inch.

2.4 Barcode

* * * * *

c. The width of the narrow bars and spaces ("X" dimension) must be between 0.012 inch and 0.016 inch and uniform within the barcode; the optimum narrow bar size is 0.015 inch. The tolerance of the width of all bars and spaces is ± 0.004 inch and is not cumulative. The maximum irregularity in the edge straightness of any bar element is 0.3 times the "X" dimension. The wide-to-narrow ratio must be between 3 to 1 and 2.3 to 1 and uniform within the barcode; the optimum ratio is 3 to 1. The height of the barcode must be at least 0.700 inch.

M033 Sacks and Trays

[Replace current 1.0 with new 1.0 as follows:]

1.0 Basic Standards

1.1 Total Weight

The total weight of any sack (mail plus sack tare) must not exceed 70 pounds. The total weight of any MM tray (mail plus tray tare) must not exceed 20 pounds; for an EMM tray, 35 pounds.

1.2 Equipment

Palletization of trays or sacks is subject to M040. Other mailings must be prepared in the container appropriate for the processing category and rate of the mail:

a. First-Class, Regular Periodicals, and Regular and Enhanced Carrier Route Standard Mail (A) letter-size pieces (including cards) must be prepared in USPS letter trays with sleeves. Subject to availability, 1-foot or 2-foot regular (MM) or 2-foot extended (EMM) letter trays must be used as appropriate for the size and volume of pieces. Letter trays may be used for other letter-size mail, subject to the applicable preparation standards.

b. First-Class flat-size pieces must be prepared in USPS flat trays with lids.

c. First-Class parcels weighing less than 11 ounces must be prepared in green USPS sacks.

d. Priority Mail must be prepared in orange USPS sacks.

e. Periodicals flat-size pieces, machinable and irregular parcels, and letter-size pieces not required to be placed in trays must be prepared in brown USPS sacks.

f. Standard Mail flat-size pieces, machinable and irregular parcels must be prepared in white canvas USPS sacks. Nonprofit Standard Mail letter-

size pieces may be prepared in white canvas USPS sacks or trays as permitted by standard.

1.3 Tray Sizes

These standard tray sizes apply to all mail preparation standards:

a. Letter trays: Inside bottom length:

- (1) 2-foot MM and EMM trays: 21 inches.
- (2) 1-foot trays: 10–1/2 inches.

b. Flat trays:

- (1) Inside bottom dimensions: 14–3/4 inches long by 10–3/4 inches wide.
- (2) Height: 8 inches to bottom of handhold, 11–1/4 inches to top of tray.

1.4 Presort

Presort, presort levels, and standard preparation terms are defined in M011, except for Preferred Periodicals and Nonprofit Standard Mail, which are covered in 3.0 and 4.0.

1.5 Sleeving and Strapping

Each letter tray must be sleeved, and each flat tray must be secured with a lid, using USPS-provided sleeves or lids. Except under 1.6, each letter tray must also be secured with a plastic strap placed tightly around the length of the tray without crushing the tray or sleeve. Flat trays must be secured by two straps placed tightly around the width of the tray (i.e., the shorter dimension).

1.6 Exception

Letter trays do not require strapping if placed on 5-digit, 3-digit, and SCF pallets secured with stretchwrap, or if they originate and destinate in the same SCF (mail processing plant) service area and the processing and distribution manager has given the mailer a written waiver.

1.7 Origin SCF/Plant Sacks and Trays

Except for Nonprofit Standard and Preferred Periodicals mailings, after all required carrier route, 5-digit, and 3-digit trays are prepared, a 3-digit sack/tray *must* be prepared to contain any remaining mail for each 3-digit area served by the SCF (mail processing plant) serving the post office where the mail is verified, and *may* be prepared for each 3-digit area served by the SCF/plant where mail is entered (if that is different from the SCF/plant serving where the mail is verified, e.g., a PVDS deposit site). In all cases, only one less-than-full sack/tray may be prepared for each 3-digit area.

[Rename current 2.0 and 3.0 as 3.0 and 4.0, respectively, and revise headings and text as shown below. Add new 2.0 as follows:]

2.0 First-Class, Regular Periodicals, and Regular and Enhanced Carrier Route Standard Mail

2.1 Letter Tray Preparation

Pieces must be prepared to result in the fewest practical number of packages (where required) and trays to contain the mail sorted to a destination. Letter tray preparation uses terms defined in M011 and is subject to these further standards:

a. Pieces must be "faced" (with all addresses in the same direction) and placed in trays to maintain their orientation.

b. Regardless of minimum volumes that may be required per tray, each tray prepared must be filled before filling of the next tray is begun, with the contents in multiple trays relatively balanced. A tray with less mail may be prepared only if permitted by the standards in 2.1c, 2.1d, and 2.1e and for the rate claimed. Subject to availability, 2-foot trays must be used whenever available, except that 1-foot trays must be used for lesser volume or as less-than-full trays.

c. Subject to 2.1e and the standards for the rate claimed, pieces left over after filling one or more trays for a presort destination are packaged and placed in a less-than-full "overflow" tray. Where overflow trays are permitted, they are required for required presort levels and optional for optional levels. Only one overflow tray per destination may be prepared in the same mailing.

d. Where standards do not limit preparation to full trays, or where no minimum volume per tray is required, pieces may be packaged and placed in a less-than-full tray even though a full tray was not previously prepared for that destination. In all circumstances, only one less-than-full tray per destination may be prepared in the same mailing.

e. For automation rate and nonautomation rate upgradable mailings where packaging is not required, mail remaining after filling all possible 2-foot trays must be prepared in a full 1-foot tray before being packaged for placement in a less-than-full 1-foot tray (if a less-than-full tray is permitted by the standards for the rate claimed). For other mailings where packaging is required, mail remaining after filling all possible 2-foot trays must be prepared in a less-than-full 2-foot tray if it exceeds the capacity of a 1-foot tray.

f. Subject to availability, standard MM trays must be used for all letter-size mail, *except* that extended MM (EMM) trays must be used when available for letter-size mail more than 4–1/2 inches high or 10–1/2 inches long. When EMM

trays are not available, such pieces must be placed in MM trays, angled back and/or placed upright perpendicular to the length of the tray in row(s) to preserve their orientation.

g. Each tray must bear the correct tray label.

h. Each tray must be sleeved and strapped under 1.5 and 1.6.

i. As a general exception, pieces do *not* have to be grouped by 3-digit ZIP Code prefix in AADC trays, or by AADC in mixed AADC trays if the mailing is prepared using an MLOC and standardized documentation is submitted.

2.2 Flat Tray Preparation (First-Class Mail Only)

All flat tray preparation is subject to these standards:

a. Addresses on all pieces must face upward in the same direction

b. Pieces must be placed in trays to maintain their orientation. Once the required minimum volume is reached to allow or require preparation of a tray, additional pieces must be placed in the same tray up to its capacity to minimize the number of trays used. When possible, pieces must be placed in two stacks to optimize tray use, but mail must not overfill the tray to inhibit adequate closure or covering of the contents. The total weight of a tray and its contents must not exceed 70 pounds.

c. Each tray must bear the correct tray label.

d. Each tray must be covered and strapped under 1.5 and 1.6.

2.3 Sack Preparation

All sack preparation is subject to these standards:

a. Each sack must bear the correct sack label.

b. The weight of a sack and its contents must not exceed 70 pounds.

3.0 Nonautomation Rate Preferred Periodicals and Nonprofit Standard Mail

[Insert text of current 2.0 and renumber accordingly. In renumbered 3.1a, replace the reference "2.1b" with "3.1b."]

4.0 Automation Rate Preferred Periodicals and Nonprofit Standard Mail

[Insert text of current 3.0 and renumber accordingly. In renumbered 4.1a, replace the reference "3.4 and 3.5" with "4.4 and 4.5"; in renumbered 4.3, replace the reference "3.1b" with "4.1b"; in renumbered 4.5, replace the reference "3.4" with "4.4"; in renumbered 4.5c, replace the reference "3.5b" with "4.5b"; and in renumbered

4.6, replace the reference "3.7" with "4.7."]

M040 Palletization

[Replace current M041, M042, M043, M044, and M048 with new M041 and M045, based on a recently concluded separate rulemaking.]

M041 General Pallet Standards

1.0 Physical Characteristics

1.1 Standards

All pallets presented to the USPS, whether USPS- or mailer-provided, must meet the standards in 1.2, 1.3, and 1.4. Mail on such pallets must meet the standards for the class and rate claimed.

1.2 Construction

Pallets must be made of high-quality material that can hold loads equal to a gross weight of 2,200 pounds. Pallets must measure 48 by 40 inches and must allow for four-way entry by forklift trucks and two-way entry by pallet jacks.

1.3 Securing

Except for pallet boxes under 4.3, loaded pallets of mail must be secured with at least two straps or bands, wrapped with stretchable or shrinkable plastic strong enough to retain the integrity of the pallets during transportation and handling, or both.

1.4 Nonconforming Mailers

The USPS informs mailers or their agents who present palletized mailings, including plant-verified drop shipment (PVDS), when their pallets fail to meet basic pallet integrity and safety standards. Once a mailer is notified and allowed to make changes to improve load integrity, if the mailer's methods, or those of the mailer's agent, do not work, the mailer is considered nonconforming. A nonconforming mailer must meet the specifications for nonconforming mailers for top-cap use, stacking of pallets, pallet box construction, and maximum height/tiers of trays in 2.0 through 5.0, respectively. Mailers will be suspended from the pallet program if their pallets continue to fail to meet the minimum load integrity levels after being notified and allowed to make changes accordingly.

2.0 Top Caps

2.1 Use

Top caps are used as follows:

a. Except under 2.1b and 2.1c, all pallets of sacks, letter mail trays, parcels, packages or bundles of mail, or pallet boxes must be top-capped if the pallets are double- or triple-stacked

when presented to the USPS for acceptance.

b. The top pallet need not be top-capped if the strapping or banding securing the stacked pallets together neither damages the mail on the top pallet nor allows the stack to shift.

c. Lower pallet(s) containing either parcels or packages or bundles of mail need not be top-capped if the top surface of each pallet load provides a sturdy, flat surface, parallel to the pallet base, that allows for safe and efficient stacking of pallets placed on top and prevents sliding of the top pallet(s), damage to the loaded mail, or crushing of the load.

2.2 Construction

Any material may be used as a top cap if it provides a flat, level surface horizontal to the base pallet, protects the integrity of the mail below it while supporting a loaded pallet above, and allows for easy entry of a forklift to remove the upper pallet(s). Flimsy paper or fiberboard (e.g., the ends of paper rolls) or similar material is inadequate and may not be used as a top cap.

2.3 Securing

A top cap must be secured to the pallet horizontal to the plane of the base pallet, with either stretchwrap or at least two crossed straps or bands, so that the cap stays in place to protect the mail and maintain the integrity of the pallet load.

2.4 Nonconforming Mailers

Nonconforming mailers (see 1.4) must use top caps on all pallets of sacks, letter mail trays, parcels, or packages or bundles of mail, regardless of weight, or on pallets containing pallet boxes no more than 60 inches high. Top caps must be approximately 48 by 40 inches and meet one of these construction standards:

a. Five-wood boards, with uniform edges and nine-leg pallet contact for stacking.

b. Fiberboard box-end style, with a minimum 3-inch side and wall material of at least double-wall corrugated fiberboard C- and/or B-flute.

c. Fiberboard honeycomb covered on both sides, with heavy linerboard at least 1/2 inch thick.

d. Corrugated fiberboard C-flute sheet covering the entire top of the load, with standard pallet solid fiberboard corner edge protectors.

3.0 Stacking Pallets

3.1 Double- or Triple-Stacking

Pallets may be double- or triple-stacked if:

a. The combined gross weight of the stacked pallets (pallets, top caps, and mail) does not exceed 2,200 pounds.

b. The heaviest pallet is on the bottom and the lightest is on the top.

c. The pallets are secured with at least two straps or bands of appropriate material to maintain their integrity during transportation and handling. Pallets may not be secured together with stretchable or shrinkable plastic.

d. Each pallet is top-capped under 2.0.

e. The combined height of the stacked pallets and their loads does not exceed 84 inches.

3.2 Nonconforming Mailers

Nonconforming mailers (see 1.4) who stack pallets are subject to the conditions in 3.1 with these additional restrictions:

a. The combined height of any stacked pallets may not exceed 77 inches; and

b. Triple-stacking is allowed only for pallets of parcels.

4.0 Pallet Boxes

4.1 Use

Mailers may use pallet boxes constructed of single-, double-, or triple-wall corrugated fiberboard placed on pallets to hold sacks or parcels prepared under M045. (Single-wall corrugated fiberboard may be used only for light loads (such as lightweight parcels) that do not require transportation by the USPS beyond the entry office.) Pallet boxes must protect the mail and maintain the integrity of the pallet loads throughout transportation, handling, and processing. The base of the boxes must measure approximately 40 by 48 inches.

4.2 Height

The combined height of the pallet, pallet box, and mail may not exceed 77 inches. The contents of the box may not extend above the top rim of the box.

4.3 Securing

Pallet boxes must be secured to the pallet with strapping, banding, stretchable plastic, shrinkwrap, or other material that ensures that the pallet can be safely unloaded from vehicles, transported, and processed as a single unit to the point where the contents are distributed with the load intact if:

a. The pallet and its contents are transported by the USPS from the office where the mail is accepted to another postal facility where the contents are distributed.

b. The weight of the mail in the box is not sufficient to hold the box in place on the pallet during transportation and processing.

4.4 Nonconforming Mailers

Nonconforming mailers (see 1.4) may use pallet boxes only if the boxes are constructed of triple-wall corrugated fiberboard (C- and/or B-flute material) with a maximum height of 77 inches.

5.0 Preparation

5.1 Presort

Pallet preparation and pallet sortation are subject to the specific standards in M045. Pallet sortation is intended to presort the palletized portion of a mailing to at least the finest extent required for the corresponding class of mail and method of preparation. Generally, pallet sortation is sequential from the lowest (finest) level to the highest and must be completed at each required level before the next optional or required level is prepared. As applicable, standard preparation terms and presort levels for pallets are defined in M011 and M045. Mailers must prepare all required levels of pallets before any working pallet is prepared for a mailing or job.

5.2 Required Preparation

A pallet must be prepared to a required sortation level when there are 500 pounds of Periodicals or Standard Mail packages, sacks, or parcels or six layers of Periodicals or Standard Mail (A) letter trays. Up to 10 percent of the total pallets in any mailing or job may be working pallets labeled to the BMC (Standard Mail) or ADC (Periodicals) serving the post office where mailings are accepted into the mailstream. The processing and distribution manager of that facility may issue a written authorization to the mailer to label working pallets to the post office or processing and distribution center serving the post office where mailings are entered. Working pallets contain all mail remaining after required and optional pallets are prepared.

5.3 Minimum Load

In a single mailing, the minimum load per pallet is 250 pounds of Periodicals or Standard Mail packages, parcels, and sacks (or three tiers/layers of letter trays of Periodicals or Standard Mail (A)), except that the processing and distribution manager of the facility where a mailing is entered may issue a written authorization to the mailer allowing preparation of 5-digit, 3-digit, or SCF pallets containing less volume if the mail on those pallets is for that facility's service area. In a mailing or mailing job presented for acceptance at a single postal facility, one overflow pallet may be prepared containing less than 250 pounds or 3 tiers/layers of

letter trays if the mail is for the service area of the entry facility and the pallet is properly labeled under 4.0 based on its contents. No special authorization is required.

5.4 Maximum Load

The maximum weight (mail and pallet) is 2,200 pounds. The maximum height of a single pallet (mail and pallet) is 77 inches for packages, bundles, parcels, sacks, or pallet boxes or 12 layers of letter trays.

5.5 Mail on Pallets

Pieces in trays, packages, bundles, and sacks must be prepared under the standards for the class of mail and rate claimed. When two or more Periodicals or Standard Mail (A) mailings are placed together on pallets, the mailer must maintain records for each mailing as required by standard. Automation rate and upgradable letter-size pieces must be placed on separate 5-digit pallets; neither may be placed on the same 5-digit pallet as pieces at other rates. Trays must always be placed on pallets "right-side-up" with heavier, fuller trays at the bottom of the load.

5.6 Sacked Mail

Mail that is not palletized must be prepared under the standards for the rate claimed. For Periodicals, mailers must separately sack packages of each publication that are not palletized under M045 or that are excluded from palletization. Trays that are not palletized must be bedloaded. Sacks (including sacks of packages not placed on pallets) containing packages remaining after all pallets are prepared may be presented with the palletized mail (and reported on the same postage statement) if separated from the palletized portion of the mailing.

5.7 Nonconforming Mailers

For nonconforming mailers (see 1.4) of letter-size mail in trays, the combined height of a pallet and its load may not exceed six layers of MM or EMM letter trays.

6.0 Copalletized, Combined, or Mixed-Rate Level Mailings

6.1 General

Palletized mailings (including combined, copalletized, and mixed rate level mailings) must be prepared under the standards for the class of mail, subject to specific authorization by the RCSC serving the mailing post office when required.

6.2 Application

The mailer (or publisher or agent) must submit a written request to the

RCSC serving the mailing post office to present the types of pallets described in 6.1. A separate request is required for each type of pallet at each location, but multiple, concurrent applications are acceptable. A mailer who cannot meet the minimum palletization standards without copalletizing, combining, or commingling mixed rate mailings might still qualify if the total copalletized, combined, or commingled mailing meets minimum pallet standards. The request must be received at least 30 days before the first mailing and include the names, addresses, and telephone numbers of the mail owner and of the firm or person preparing the mail; a description of the mailing (e.g., size, weight, class, rate, volume, mailing frequency, and postage payment method); the type of authorization requested; and a sample of the applicable documentation under M045.

6.3 Periodicals Publications

To *combine* more than one Periodicals publication on pallets, the mailer must merge and presort copies of all the publications into common packages to achieve the finest presort level for the combined mailing. To *copalletize* different Periodicals flat-size publications, the mailer must consolidate on pallets all independently sorted packages for each publication to achieve the finest presort level for the mailing. Both combining and copalletizing publications must be supported by the documentation required in M045. Preferred Periodicals may not be combined with Regular Periodicals.

6.4 Standard Mail (A)

To *combine* mixed rate level Nonprofit Standard Mail on pallets (i.e., 3/5 and Carrier Route), the mailer must be an authorized plant load mailer or an authorized plant-verified drop shipment (PVDS) mailer with on-site postal verification; must attach to the written request to the RCSC either a copy of an approved Form 3815 showing the mailer's authority to plant load or the USPS authorization for PVDS with on-site verification, as applicable; and must consolidate on pallets all independently prepared packages to achieve the finest presort level for the mailing. To *copalletize* different Standard Mail (A) flat-size mailings, the mailer must consolidate on pallets all independently sorted packages from each mailing to achieve the finest presort level for the mailing, and must present computer-generated listings at the time of mailing that include a summary list consolidating the copalletized multiple mailings and a list of the contents of

each pallet by ZIP Code and presort level.

6.5 Cancellation

An authorization may be canceled by the RCSC if the mailer does not meet the standards for pallets or the rates claimed or the mailer does not submit information on future mailings as requested by the RCSC. Mailers may appeal canceled authorizations under G020.

M045 Preparation of Palletized Mailings

1.0 Basic Uses

Mailers may palletize these types of mail:

- a. Letter-size mail in trays.
- b. Packages or bundles of nonletter-size mail not prepared in sacks.
- c. Packages or parcels in sacks.
- d. Machinable or irregular parcels.
- e. Copalletized multiple flat-size mailings, subject to M041.
- f. Combined mailings of machinable parcels (Standard Mail (A) and (B)), subject to M073.
- g. Two or more Periodicals publications combined or copalletized, subject to M041.
- h. Combined mailings of Nonprofit Standard Mail mixed rate levels, subject to M041.
- i. Commingled zone-rated Standard Mail, subject to M630.

2.0 Packages

2.1 Standards

Package preparation must meet the applicable general standards in M010, M020, and M030, except as noted below. The palletized portion of a mailing may not include packages sorted to foreign destinations.

2.2 Size—Periodicals

Package size: Six-piece minimum, 20-pound maximum, except that:

- a. Firm packages may contain as few as two copies of a publication and do not have to be consolidated into bundles with other packages to the same 5-digit destination. A firm "package" may be one piece for presort standards (see M210 and M290).
- b. All pieces for the same presort destination must be in one package if they weigh less than 10 pounds. Otherwise, packages must weigh from 10 to 20 pounds each.
- c. The last package to a presort destination may contain less than 10 pounds of mail.
- d. All palletized packages of copalletized publications must contain at least six pieces.

2.3 Size—Standard Mail (A)

Package size: 10-piece minimum, 20-pound maximum, except that:

- a. All pieces for the same presort destination must be in one package if they weigh less than 10 pounds. Otherwise, packages must weigh from 10 to 20 pounds each.
- b. The last package to a presort destination may contain less than 10 pounds of mail.

2.4 Size—Standard Mail (B)

Package size: 10-pound or 1,000-cubic-inch minimum (whichever occurs first), 40-pound maximum, except that:

- a. All pieces for a presort destination must be in one package if they weigh less than 10 pounds. Otherwise, packages must weigh from 10 to 40 pounds each.
- b. The last package to a presort destination may contain less than 10 pounds of mail.
- c. Packages must be prepared to carrier route sortations if the carrier route bulk bound printed matter rate is claimed. Mail at other rates must be sorted to 5-digit, 3-digit, ADC, BMC, and mixed ADC destinations, as appropriate.
- d. Smaller size packages of any copies remaining may be prepared to the levels noted in 2.4c after all required volume or larger packages are prepared. These smaller packages must be properly labeled and placed on an appropriate pallet level.

2.5 Labels

When pressure-sensitive labels are used, a red Label D must appear on 5-digit packages if the copies in those packages show carrier route information.

2.6 Residual

After all required and optional packages are prepared, remaining copies may be made into a residual package, properly labeled and placed on an appropriate pallet level.

3.0 Optional Bundles—Periodicals and Standard Mail (A)

3.1 Standards

Bundle preparation must meet the applicable general standards in M010, M020, and M030, except as noted below. The palletized portion of a mailing may not include bundles sorted to foreign destinations.

3.2 Size

Bundle size: Two-package minimum, 20-pound maximum. Exception: For copalletized publications or products, the maximum is 40 pounds.

3.3 Sortation

Sortation is in the same sequence as sacks under 4.1.

3.4 Labeling

Labeling of bundles is not required except for:

a. Bundles containing packages for sortation levels finer than the bundle destination. (These bundles must have a facing slip with Lines 1 and 2 prepared as required for sacks.)

b. Bundles of Standard Mail (A) (other than carrier route and 5-digit bundles) placed on BMC pallets and containing packages for sortation levels finer than the bundle destination. These bundles must have a facing slip with Lines 1 and 2 prepared as required for sacks. The facing slip must completely cover the address and package label on the top piece in the bundle.)

4.0 Pallet Presort and Labeling

4.1 Packages, Bundles, Sacks, or Trays

Preparation sequence and labeling:

a. 5-digit: required for packages, bundles, and sacks; optional for trays; use destination of contents for Line 1.

b. 3-digit: optional; use L002, Column A, for Line 1.

c. SCF: required; use L002, Column C, for Line 1.

d. As appropriate:

(1) Periodicals: ADC: required; use L004 for Line 1.

(2) Standard Mail: As appropriate, (a) Destination ASF: allowed and required only if DBMC rate is claimed for mail deposited at ASF; use L602 for Line 1; or (b) Destination BMC: required; use L601 (L602 if DBMC rate claimed) for Line 1. (Sort ADC packages, trays, or sacks, or AADC trays to ASF/BMC pallets based on ZIP Code of the package destination or shown on Line 1 of the tray or sack label.)

e. As appropriate:

(1) Periodicals: mixed ADC: optional; use L004 for Line 1, based on ZIP Code of entry office (in "Destination ZIP Codes" column) (label to plant serving entry post office if authorized by processing and distribution manager).

(2) Standard Mail: mixed BMC: optional; use L601 for Line 1, based on ZIP Code of entry office (in "Destination ZIP Codes" column) (label to plant serving entry post office if authorized by processing and distribution manager).

4.2 Machinable Parcels—Standard Mail

Preparation sequence and labeling:

a. 5-digit: optional, but required for Standard Mail (A) 3/5 rate and Standard Mail (B) only; use destination of parcels for Line 1.

b. ASF: allowed and required only if DBMC rate is claimed for mail deposited at ASF; use L602 for Line 1.

c. Destination BMC: required; use L601 (L602 if DBMC rate claimed) for Line 1.

d. Mixed BMC: optional; use L601 for Line 1, based on ZIP Code of entry office (in "Destination ZIP Codes" column).

4.3 Presorted Special Standard Mail

Preparation sequence and labeling:

a. 5-digit: (5-digit rate only); required; use destination of pieces or packages for Line 1.

b. Destination BMC: (BMC rate only); required; use L601 for Line 1.

4.4 Line 2

Line 2, class of mail (shown below, as appropriate), processing category and mail type (e.g., MACH, LTRS BC), and any processing code required by the applicable labeling list under 4.1, 4.2, and 4.3:

a. Periodicals: PER or NEWS, as appropriate.

b. Standard Mail (A): STD 3C.

c. Standard Mail (B): STD 4C.

5.0 Pallets of Packages, Bundles, and Trays of Letter-Size Mail

5.1 Periodicals

When two or more letter-size publications are part of a combined mailing, the mailer must keep records for each mailing (publication) as required by standard. Automation rate and nonautomation rate pieces must be placed on separate 5-digit pallets. Preferred Periodicals may be combined with Regular Periodicals only as permitted by standard. Pieces claimed at destination delivery unit (DDU) rates do not require separation from pieces claimed at other rates.

5.2 Standard Mail (A)

Nonprofit mail may be included in the same mailing or palletized on the same pallet as other Standard Mail (A) only as permitted by standard. Automation rate and upgradable letter-size pieces must be placed on separate 5-digit pallets; neither may be placed on the same 5-digit pallet as pieces at other rates. Pieces claimed at destination delivery unit (DDU) rates do not require separation from pieces claimed at other rates.

5.3 BMC Pallets

Packages and bundles placed on BMC pallets must be machinable on BMC parcel sorting equipment. Line 2 on pallet labels must reflect the processing category of the pieces. A BMC pallet may include pieces that are eligible for the DBMC rate and others that are

ineligible if the mailer provides documentation showing the pieces that qualify for the DBMC rate.

5.4 Commingled Zones

Pieces of Standard Mail (B) for different zones may be commingled only under M630.

5.5 Securing Trays

Trays must be sleeved and strapped under M033, except that strapping is not required for trays on 5-digit, 3-digit, and SCF pallets or for trays that originate and destinate in the same SCF service area.

6.0 Pallets of Sacks

All sacks remaining after all pallets are prepared may be presented with the palletized mailing (on the same postage statement) if the sacks are segregated from the palletized portion of the mailing.

7.0 Pallets of Copalletized Periodicals or Standard Mail (A) Flat-Size Pieces

7.1 Basic Standards

Copalletized flat-size mailings must meet the standards in M041 and in 1.0 through 5.0, and those below. Any combination of automation rate mailings and nonautomation rate mailings is subject to the restrictions in 5.0. Packages in a copalletized mailing qualify for the appropriate presort level rate, regardless of the pallet level on which they are placed.

7.2 Periodicals

Additional standards apply to Periodicals:

a. Preferred Periodicals may be combined with Regular Periodicals only as permitted by standard.

b. Documentation meeting the basic standard in P012 must be provided with each mailing. Before copalletizing, the mailer must obtain the written approval of the RCSC manager. Approval is based on the mailer's demonstrated ability to provide documentation meeting these standards:

(1) Documentation by package and by publication and edition showing the number of pieces and copies in each package and the per piece presort rate claimed for each piece in each package, or a listing by pallet showing (by presort level (rate) and destination) the number of copies and pieces of each publication and edition. For large volume mailing jobs reported on a single listing, the mailer may provide abbreviated documentation that shows full package detail for the first 20 pallets and for every twentieth pallet thereafter if the mailer maintains full package detail (by publication and edition code and rate)

for the entire mailing job for 90 days and can provide it to the USPS upon request within 3 working days. Abbreviated documentation must include the rate summary by publication and edition for each pallet, including those for which full detail package listings are not reported.

(2) Documentation showing the number of copies and pieces claimed at the intra-SCF rate.

(3) Documentation showing that packages of all publications and editions are sorted to the appropriate finest pallet level in the mailing.

(4) Documentation showing that 5-digit, 3-digit, SCF, and ADC pallets are prepared when the applicable minimum volume is developed in the copalletized mailing for these destinations.

(5) A listing showing the destination of pallets in the copalletized mailing.

(6) If the sacked portion of the mailing is presented with the copalletized portion, a report by sack showing the number of pieces (and copies) of each publication or edition at each presort level (rate).

7.3 Standard Mail (A)

Additional standards apply to Standard Mail (A):

a. Nonprofit Standard mailings may be copalletized with one another but not with mailings at other rates unless permitted by standard.

b. Nonidentical-weight pieces may be copalletized only if the correct postage is affixed to each piece or if otherwise authorized by the RCSC.

c. All pieces in mailings to be copalletized must be subject to the minimum per piece rate, or all subject to the per pound rate, unless otherwise authorized by the RCSC.

d. All pieces must have postage paid with permit imprint, or all pieces must have postage affixed.

e. When requested, the mailer must present pallets selected by USPS employees for verification.

7.4 Line 2

Line 2 on pallet labels for copalletized mailings: Class (PER or NEWS, or STD, as applicable), FLTS, and contents.

7.5 Postage Statement

Separate postage statements are required:

a. For Periodicals, a separate postage statement is required for each publication and/or edition that is part of the copalletized mailing. Mailers must note on or in an attachment to the postage statement the name and issue date of the publications with which each publication and/or edition was copalletized.

b. For Standard Mail (A), a separate postage statement must be prepared for each mailing that is part of a single copalletized shipment, *except that* copalletized Regular and Enhanced Carrier Route mailings produced as part of the same job may be reported on the same postage statement.

8.0 Mixed Rate Levels on Pallets—Nonprofit Standard Mail

8.1 Standards

Nonprofit mixed rate level mailings must meet the standards in 4.0 and those below.

8.2 Authorizations

Mailers must be authorized to commingle either Nonprofit Carrier Route, 3/5, and Basic rate mail on pallets or Nonprofit Carrier Route and Barcoded rate flats in packages. Mailers do not need authorization to commingle mixed rate level mailings when only mailings of barcoded flats are sorted on pallets. Nonidentical-weight pieces may be commingled only if the correct postage is affixed to each piece or if otherwise authorized by the RCSC.

8.3 Carrier Route Information

Carrier route endorsements may appear only on pieces that qualify for that rate, but carrier route codes may appear on each piece in the mailing.

8.4 Documentation

At the time of mailing, the mailer must provide a computer-generated listing (in ZIP Code sequence and numbered to correspond to the pallets) that describes the contents of each pallet. The mailer must maintain this information for 90 days after the mailing is dispatched. When requested, the mailer must present pallets selected by USPS employees for verification by comparison with the listing. The listing must show:

a. Mailer's name and location, owner of the mail, mailing segment, and entry post office.

b. Number of pieces to each carrier route by 5-digit ZIP Code, to each 5-digit and 3-digit ZIP Code at the Basic and 3/5 rates, in total for these categories for each pallet and for the entire mailing. Barcoded rates must be identified, where applicable.

8.5 Additional Pallet Standards

Pallets must meet these additional preparation standards:

a. The number relating the computer-generated list to each pallet must be placed in the lower right corner of the pallet label in an easily read print size.

b. At the time of mailing, the mailer must show how packages and bundles are arranged on the pallets.

c. When preparing copalletized Nonprofit Carrier Route and Barcoded rate mailings of flat-size pieces, mailers must separately group the packages at each rate.

d. When top caps are used, the mailer must write the tare weight of the top cap on the pallet label or in another prominent location.

9.0 Palletizing Machinable Parcels

9.1 Standard Mail (A)

Pieces may be eligible for the 3/5 rate when prepared under 4.2a, 4.2b, and 4.2c. This eligibility includes pieces correctly sorted under 4.2b and 4.2c to the service area of the *entry* ASF/BMC.

9.2 Standard Mail (B)

Mailers must sack by zone, using the applicable standards, any mail that cannot be placed on 5-digit or BMC pallets. Sacks containing mail remaining after all pallets are prepared may be presented with the palletized mailing (on the same postage statement) if the sacks are segregated by zone from the palletized portion of the mailing. Pieces for different zones may be commingled only under M630.

9.3 DBMC Rate

If applicable, a BMC pallet may include pieces that are eligible for the DBMC rate and others that are ineligible. The mailer must provide documentation showing the pieces that qualify for the DBMC rate.

9.4 Top Caps

When top caps are used, the mailer must write the tare weight of the top cap on the pallet label or in another prominent location.

M050 Walk Sequence

1.0 Basic Standards

[In 1.1, replace the reference "M203 or M303" with "M290 or M693."]

* * * * *

3.0 Delivery Sequence Information

[Replace current 3.1 and 3.2 with new 3.1 and 3.2 as follows:]

3.1 With Simplified Addressing

Walk-sequence rate pieces prepared with a simplified address must be based on delivery stop information obtained within 6 months before the date of mailing (or within 90 days before the date of mailing for Enhanced Carrier Route Standard Mail), either from the Delivery Statistics File or from the postmaster of the destination office.

3.2 Without Simplified Addressing

[In 3.2a and 3.2b, replace "quarterly" with "bimonthly" and revise the opening paragraph as follows:]

Walk-sequence rate pieces prepared with other than a simplified address must be sequenced using USPS data from one of the following sources, issued within 90 days before the date of mailing: * * *

* * * * *

[Add new 3.4 as follows:]

3.4 Line of Travel

Line-of-travel sequence is an option for mailers who prepare carrier route mailings other than high density/125-piece or saturation mailings. Line-of-travel sequencing is required for Basic Enhanced Carrier Route Standard Mail. Line-of-travel sequence is not an exact walk sequence but a sequence of ZIP+4 codes arranged in the order that the route is served by a carrier. (First the ZIP+4 groups are sequenced, then the addresses within each are identified as being in ascending or descending order.) The USPS Line-of-Travel (LOT) product provides a list of the ZIP+4 codes each route serves, identifies the order in which they are delivered, and provides an indicator specifying whether the addresses in each must be sorted in ascending or descending order. LOT information must be updated at the same frequency as carrier route codes, i.e., within 90 days before the date of mailing.

4.0 Documentation

[In 4.1, replace "(second-class)" with "(Periodicals)" and "(third-class)" with "(Standard Mail)."]

* * * * *

[Replace current 4.2 with new 4.2 as follows:]

4.2 High Density/125-Piece

For each carrier route to which 125-piece walk-sequence or High Density rate mail is addressed, the mailer must document the total number of pieces to the route. If there are fewer than 125 pieces for a route, the documentation must also show the number of possible deliveries on the route.

* * * * *

M070 Mixed Classes

M071 Basic Information

[In 1.1, 1.2, and 1.3, replace "[T]hird-[C]lass" with "Standard Mail (A)"; in 1.2 and 1.2a, replace "second-class" with "Periodicals"; in 1.2c, replace "First- or third-class" with "First-Class or Standard Mail (A)"; and in 1.3, replace "third- or fourth-class" with

"Standard Mail"; no other change in text.]

M072 Express Mail and Priority Mail Drop Shipment

[In 2.1, replace "Presorted First-Class and carrier route presort" with "Presorted and automation"; remove current 2.2 and renumber current 2.3 as 2.2; in 3.0 (heading), replace "Second-Class Mail" with "Periodicals"; in 4.0 (heading), replace "Third-Class Mail" with "Standard Mail (A)"; in 5.0 (heading), replace "Fourth-Class Mail" with "Standard Mail (B)" and replace the reference "E450" with "E652"; in 6.2, replace "Transported by (Priority Mail) (Express Mail) with "TRANSPORTED BY [PRIORITY MAIL]/[EXPRESS MAIL]" and "Delivered locally as (class of enclosed mail)" with "DELIVERED LOCALLY AS [CLASS OF ENCLOSED MAIL]"; no other change in text.]

[Revise the heading of M073 as follows:]

M073 Combined Mailings of Standard Mail Machinable Parcels

[Replace current 1.0 with new 1.0 as follows:]

1.0 Basic Standards

1.1 Description

Subject to authorization under 2.0, a mailer authorized plant load or plant-verified drop shipment privileges may prepare a combined mailing of Regular Standard Mail (A) and Standard Mail (B) machinable parcels that have been merged and sorted together in sacks (under 3.0) or on pallets (under M040) to achieve the finest presort level. The combined mailing must meet the standards below and those that apply to the rates claimed. Each parcel in a combined mailing is subject to the applicable Standard Mail rate, based on the corresponding standards. Required volume for bulk or presort rates is based solely on the quantity of pieces eligible for each rate at the required presort level. Pieces claimed at other rates in the same sack or on the same pallet do not count.

1.2 Postage Payment

Postage for all pieces must be paid with permit imprint at the post office serving the mailer's plant under P710, P720, or P730. The applicable agreement must include procedures for combined mailings approved by the RCSC.

1.3 Documentation

Separate postage statements must be prepared for the Standard Mail (A) and (B) pieces. Within each group,

combined forms may be prepared where standards and the forms permit. All postage statements must be provided at the time of mailing, accompanied by a computer-generated listing (in ZIP Code sequence and numbered to correspond to the sacks or pallets) that describes the contents of each sack or pallet. The mailer must retain this information for 90 days after the mailing is dispatched. This listing must show the mailer's name and location, the name and owner of each product for which a separate postage statement is prepared, and the entry post office. For each product, the listing must detail the number of pieces at each rate by 5-digit ZIP Code and totals for each pallet or sack and for the entire mailing. Additional documentation must be provided for all mailings of nonidentical-weight pieces or in which Basic and 3/5 rate pieces are commingled and the mailer has not separated the sacks or pallets containing the pieces at the respective rates. Such documentation must be in one of these formats:

a. Segmented sequentially by sortation level (e.g., 5-digit, destination BMC) and, within each, listing a unique number or Line 1 of each sack or pallet label. For each 5-digit or destination ASF/BMC entry, the number of pieces at each rate must be shown by 5-digit ZIP Code or 3-digit ZIP Code prefix, respectively. Destination ASF/BMC sacks or pallets must show a total number of pieces in the sack or on the pallet. The entries must be summarized for the whole mailing to show total pieces at each rate, total pieces, and total postage (and additional postage due, as applicable). The sacks or pallets do not have to be presented to the USPS in any particular order.

b. Segmented sequentially by sortation level and, by 5-digit ZIP Code (for 5-digit sacks) or 3-digit ZIP Code prefix (for other sacks or pallets), the number of pieces at each rate must be listed. The entries must be totaled for the whole mailing to show total pieces at each rate, total pieces, and total postage (or additional postage due, as applicable). If different amounts of additional postage are due, the summary must further detail the number of pieces at each postage amount or at each amount of additional postage due. The sacks or pallets must be separated by sortation level when presented for acceptance.

2.0 Authorization

* * * * *

[Replace current 2.3 and 2.4 with new 2.3 as follows:]

2.3 Term

An authorization to combine Standard Mail (A) and (B) machinable parcels expires at the same time as the applicable postage payment system authorization and may not be for more than 2 years. A mailer may terminate an authorization at any time by written notice to the postmaster of the office serving the mailer's location. The USPS may terminate an authorization, by written notice to the mailer explaining the reasons for termination, if it finds that the mailer does not meet the applicable standards.

3.0 Sack Preparation

[Replace current 3.1, 3.2, and 3.3 with new 3.1 and 3.2 as follows:]

3.1 Sack Size, Preparation, and Labeling

Sack size, preparation sequence, and labeling:

a. 5-digit: optional, but required for Standard Mail (A) Regular and Nonprofit 3/5 rate eligibility (minimum of 10 pieces/20 pounds/1,000 cubic inches, smaller volume not permitted); use 5-digit ZIP Code destination of pieces for Line 1, preceded for military mail by the prefixes under M031.

b. Destination ASF: allowed and required for DBMC rate only (minimum of 10 pieces/20 pounds/1,000 cubic inches, smaller volume not permitted); use L602 for Line 1.

c. Destination BMC: required (minimum of 10 pieces/20 pounds/1,000 cubic inches, smaller volume not permitted); use L602 if DBMC rate is claimed; otherwise, use L601 for Line 1.

d. Mixed BMC: required (no minimum); use L601 to show entry BMC for Line 1.

3.2 Line 2

Line 2:

a. 5-digit, ASF, and destination BMC sacks: STD 3C/4C MACH.

b. Mixed BMC sacks: STD 3C/4C MACH MIXED BMC.

c. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

M074 Plant Load Mailings

[In 3.3b and 3.3c, replace "SDC" with "ADC"; in 3.3 and 3.7b, replace "[S]econd-[C]lass [M]ail" with "Periodicals"; and in 3.4 and 3.7c, replace "[T]hird- or [F]ourth-[C]lass [M]ail" with "Standard Mail"; no other change in text.]

M100 First-Class Mail

[Renumber current M101 as M120 with no change in text.]

M120 Priority Mail

* * * * *

[Replace current M102 and M103 with new M130 as follows:]

M130 Presorted First-Class

1.0 Basic Standards

1.1 All Pieces

Each Presorted First-Class (nonautomation rate) mailing must meet the applicable standards in E130 and in M010, M020, and M030. All pieces must be in the same processing category, subject to 1.3, and must be sorted together and prepared under 2.0, 3.0, 4.0, or 5.0, as appropriate; automation rate First-Class Mail must be prepared under M810 or M820, as applicable. Letter- and card-size pieces must be prepared in letter trays; flat-size pieces must be prepared in flat trays; parcels must be prepared in sacks. All pieces must be marked "Presorted First-Class."

1.2 Local Exception

Postmasters may authorize preparation of small volume mailings in nonpostal containers if they consist primarily of packages for local ZIP Codes, do not exceed 20 pounds, and do not require postal transportation for processing.

1.3 Cards, Letters

Pieces claimed at card rates and pieces claimed at letter rates are each subject to a separate minimum volume criteria whether prepared as separate or combined mailings. Either way, card-size and letter-size pieces may be presented at the same time and reported on the same postage statement.

1.4 Processing Instructions

If the mailer's preference is that the USPS does not attempt to upgrade (automate) letter- or card-size pieces presented at a nonautomation rate, trays of such mail may be identified with a facing slip or other device that conspicuously bears the words "DO NOT AUTOMATE" and a tray label on which Line 2 includes "NON-OCR."

2.0 Basic Preparation—Letter-Size or Card-Size Pieces

2.1 Package Preparation

Package size, preparation sequence, and labeling:

a. 5-digit: required (10-piece minimum, fewer not permitted); red Label D or optional endorsement line (OEL); *labeling optional*.

b. 3-digit: required (10-piece minimum, fewer not permitted); green Label 3 or OEL.

c. ADC: required (10-piece minimum, fewer not permitted); pink Label A or OEL.

d. Mixed ADC: required (no minimum); tan Label MS or OEL.

2.2 Tray Preparation

Tray size, preparation sequence, and labeling:

a. 5-digit: required (full trays); no overflow; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. 3-digit: required (full trays except for origin 3-digit(s)); no overflow; use L002, Column A, for Line 1.

c. ADC: required (full trays); no overflow; use L004 for Line 1.

d. Mixed ADC: required (no minimum); for Line 1, use MXD, followed by the city/state/ZIP of the facility serving the 3-digit ZIP Code of the entry post office, as shown in L002, Column C.

2.3 Line 2

Line 2: FCM LTRS NON-OCR and, as applicable:

a. Mixed ADC trays: WKG.

b. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

3.0 Optional Preparation—Upgradable Letter-Size or Card-Size Pieces

3.1 Definition

Upgradable pieces are those that meet the standards in C810 for physical automation compatibility and the standards in C830 for an OCR read area and barcode clear zone, for reflectance, and for paper that can accept water-based ink. Addresses on upgradable pieces must be machine-printed in a nonscript font. Upgradable pieces prepared under 3.0 are not packaged except for mailings of card-size pieces and pieces in less-than-full mixed AADC trays.

3.2 Tray Preparation

Tray size, preparation sequence, and labeling:

a. 5-digit: optional (full trays); no overflow; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. 3-digit: required (full trays except for origin 3-digit(s)); no overflow; use L002, Column A, for Line 1.

c. AADC: required (full trays); no overflow; group pieces by 3-digit ZIP Code prefix; use L801 for Line 1.

d. Mixed AADC: required (no minimum); group pieces by AADC; for Line 1, use MXD, followed by the city/

state/ZIP of the facility serving the 3-digit ZIP Code of the entry post office, as shown in L002, Column C.

3.3 Line 2

Line 2: FCM LTRS UPGR and, as applicable:

- a. Mixed AADC trays: WKG.
- b. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

4.0 Preparation of Flat-Size Pieces

4.1 Package Preparation

Package size, preparation sequence, and labeling:

- a. 5-digit: required (10-piece minimum, fewer not permitted); red Label D or optional endorsement line (OEL).
- b. 3-digit: required (10-piece minimum, fewer not permitted); green Label 3 or OEL.
- c. ADC: required (10-piece minimum, fewer not permitted); pink Label A or OEL.
- d. Mixed ADC: required (no minimum); tan Label MS or OEL.

4.2 Tray Preparation

Tray size, preparation sequence, and labeling:

- a. 5-digit: required (full trays), no overflow; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- b. 3-digit: required (full trays except for origin 3-digit(s)), no overflow; use L002, Column A, for Line 1.
- c. ADC: required (full trays), no overflow; use L004 for Line 1.
- d. Mixed ADC: required (no minimum); for Line 1, use MXD, followed by the city/state/ZIP of the facility serving the 3-digit ZIP Code of the entry post office, as shown in L002, Column C.

4.3 Line 2

Line 2: FCM FLTS and, on mixed ADC trays, WKG.

5.0 Preparation of Parcels

5.1 Standards

First-Class parcels weighing 11 ounces or less, except Priority Mail, must be prepared under the standards below. All Priority Mail and any parcels weighing more than 11 ounces must be prepared under the applicable standards in M120.

5.2 Package Preparation

Packaging is not required for pieces 1/2 inch thick or thicker if they are placed in a sack to the same destination to

which they would otherwise be packaged (e.g., in a 3-digit sack vs. a 3-digit package). Package size, preparation sequence, and labeling:

- a. 5-digit: required (10-piece minimum, fewer not permitted); red Label D or optional endorsement line (OEL).
- b. 3-digit: required (10-piece minimum, fewer not permitted); green Label 3 or OEL.
- c. ADC: required (10-piece minimum, fewer not permitted); pink Label A or OEL.
- d. Mixed ADC: required (no minimum); tan Label MS or OEL.

5.3 Sack Preparation

Sack size, preparation sequence, and labeling:

- a. 5-digit: required (10-pound minimum); use 5-digit ZIP Code destination of packages (or unpackaged pieces, if applicable) for Line 1, preceded for military mail by the prefixes under M031.
- b. 3-digit: required (10-pound minimum except for origin 3-digit(s)); use L002, Column A, for Line 1.
- c. ADC: required (10-pound minimum); use L004 for Line 1.
- d. Mixed ADC: required (no minimum); for Line 1, use MXD, followed by the city/state/ZIP of the facility serving the 3-digit ZIP Code of the entry post office, as shown in L002, Column C.

5.4 Line 2

Line 2: FCM IRREG and, on mixed ADC sacks, WKG.

6.0 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing, supported by documentation produced by PAVE- or MAC-certified software, or standardized documentation meeting the standards in P012. Documentation of postage is not required if each piece is of identical weight and the pieces are separated by rate when presented for acceptance, or if the correct rate is affixed to each piece.

[Revise the heading of M200 as follows:]

M200 Periodicals

[Move M201, M202, M203, M204, and M205 to new M290 and revise; add new M210 as follows:]

M210 Regular Periodicals

1.0 Basic Standards

1.1 General Preparation

All pieces in each nonautomation rate Regular Periodicals mailing must be in

the same processing category and must be sorted together to the finest extent required under 2.0 and 3.0, or 4.0, as appropriate; automation rate Regular Periodicals must be prepared under M810 or M820, as applicable. Letter-size pieces must be prepared in trays; flat-size pieces must be prepared in sacks. Palletization of trays, sacks, or packages is as permitted by M040. Postmasters may authorize preparation of small volume mailings in nonpostal containers if they consist primarily of packages for local ZIP Codes, do not exceed 20 pounds, and do not require postal transportation for processing.

1.2 Carrier Route and Walk-Sequence

Preparation for carrier route rates is optional and is subject to additional standards. Regular Periodicals for which a walk-sequence discount is claimed must be prepared as a carrier route mailing under this section and the walk-sequencing standards in M050; pieces prepared with a simplified address must also meet the standards in A040.

1.3 Firm Packages

A *firm* package is two or more copies for the same address placed in one package. If each copy has a delivery address, each may be claimed as a separate piece for presort and on the postage statement. The firm package may be claimed as one piece for presort and on the postage statement. If the copies are unaddressed, the firm package is considered one piece. A firm package sorted and claimed as one piece must be accompanied by (but must be physically separate from) five other pieces packaged to the same destination to satisfy a six-piece package requirement when applicable, regardless of the number of copies in the firm package.

2.0 Package Preparation

2.1 General

Packaging preparation is subject to M020 and the specific standards below.

2.2 Carrier Route Packages

Mailers may choose to prepare carrier route packages at a higher level of route saturation (e.g., only if there are at least 15 pieces per route). Under this option, smaller packages of six or more pieces per carrier route not prepared for carrier route rates must be prepared and paid for at another applicable rate.

2.3 Regular Periodicals

In addition to labeling under 2.4b, each package of Regular Periodicals walk-sequence mail must be labeled to show that the mail is walk sequenced. A facing slip with the phrase "HIGH

DENSITY WALK-SEQUENCED CARRIER ROUTE MAIL" or "SATURATION WALK-SEQUENCED CARRIER ROUTE MAIL" (as applicable) may be placed on the top of each package of walk-sequence mail. It may be an address label with the required information placed on a sample mailpiece that is the top piece in the package, or a separate piece of paper affixed to the top of the package. If packages are prepared without facing slips, an optional endorsement line or carrier route information line must be placed on each piece in the package to provide the equivalent information.

2.4 Package Preparation

Package size, preparation sequence, and labeling:

- a. Firm: optional (two-piece minimum); blue Label F or optional endorsement line (OEL).
- b. Carrier route: optional but required for rate eligibility (six-piece minimum, fewer not permitted); labeling required only if placed in a 5-digit carrier routes tray or sack (facing slip, OEL, or CR information line).
- c. 5-digit: required (six-piece minimum, fewer not permitted); red Label D or OEL.
- d. 3-digit: required (six-piece minimum, fewer not permitted); green Label 3 or OEL.
- e. ADC: required (six-piece minimum, fewer not permitted); pink Label A or OEL.
- f. Mixed ADC: required (no minimum); tan Label MS or OEL.

3.0 Sack Preparation (Flats)

3.1 Sack Preparation

Sack size, preparation sequence, and labeling:

- a. Carrier route: required for rate eligibility at 24 pieces, optional with one six-piece package minimum; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- b. 5-digit carrier routes (carrier route packages only): required for rate eligibility (no minimum); use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- c. 5-digit: required at 24 pieces, optional with one six-piece package minimum; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- d. 3-digit: required at 24 pieces (no minimum for origin 3-digit(s)), optional with one six-piece package minimum; use L002, Column A, for Line 1.

- e. ADC: required at 24 pieces, optional with one six-piece package minimum; use L004 for Line 1.
- f. Mixed ADC: required (no minimum); for Line 1, use MXD, followed by the city/state/ZIP of the ADC serving the 3-digit ZIP Code of the entry post office, as shown in L004.

3.2 Line 2

Line 2: PER or NEWS (as applicable), FLTS or IRREG (as applicable), and:

- a. Basic Carrier Route sacks: route type and number.
- b. High Density sacks: WSH and route type and number.
- c. Saturation sacks: WSS and route type and number.
- d. 5-digit carrier routes sacks: CR-RTS.
- e. Mixed ADC sacks: WKG.
- f. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

4.0 Tray Preparation (Letter-Size Pieces)

4.1 Tray Preparation

Tray size, preparation sequence, and labeling:

- a. Carrier route: required for rate eligibility at 24 pieces, optional with one six-piece package minimum; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- b. 5-digit carrier routes (carrier route packages only): required for rate eligibility (no minimum); use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- c. 5-digit: required at 24 pieces, optional with one six-piece package minimum; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- d. 3-digit: required at 24 pieces (no minimum for origin 3-digit(s)), optional with one six-piece package minimum; use L002, Column A, for Line 1.
- e. ADC: required at 24 pieces, optional with one six-piece package minimum; use L004 for Line 1.
- f. Mixed ADC: required (no minimum); for Line 1, use MXD, followed by the city/state/ZIP of the ADC serving the 3-digit ZIP Code of the entry post office, as shown in L004.

4.2 Line 2

Line 2: PER or NEWS (as applicable), LTRS, and:

- a. Basic Carrier Route trays: route type and number.
- b. High Density trays: WSH and route type and number.

- c. Saturation trays: WSS and route type and number.

- d. 5-digit carrier routes trays: CR-RTS.

- e. Mixed ADC trays: WKG.

- f. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

5.0 Bedloaded Bundles (Flats)

5.1 Authorization

The RCSC manager serving the post office where the mailing is to be made may authorize preparation of flat-size Periodicals in bundles that are outside sacks if this preparation benefits the USPS. Generally, authorization is approved only when the number of bundles is not more than the number of sacks that would otherwise be used in a mailing. The mailer or agent must submit an application for each product, showing the name of the mailer, the frequency of mailing, the post offices to which shipments are to be made, and the approximate numbers of copies and bundles to be deposited at each office. The RCSC manager rules on the application and informs the applicant in writing. If an authorization is approved, the publisher or agent must be prepared to provide information for future filings, similar to that required on the original application, if requested by the RCSC manager. Authorization is approved for a specific period, not to exceed 2 years. Authorization to bundle instead of sack may be revoked when it is determined that the preparation method no longer benefits the USPS.

5.2 Package Preparation

Packages must be sorted and labeled under 2.0 and meet the applicable basic standards in M020 and these conditions:

- a. Packages must contain at least six pieces but no more than 20 pounds of mail.
- b. Firm packages may contain as few as two copies of a publication and (except under 5.2c) do not have to be consolidated into bundles with other packages to the same 5-digit destination.
- c. All pieces must be in one package if they weigh less than 10 pounds. Ten pounds or more of mail for a destination must be prepared in packages weighing from 10 to 20 pounds each.
- d. The last package to a destination may contain less than 10 pounds of mail.
- e. All palletized packages of copalletized publications must contain at least six pieces.

5.3 Bundle Preparation

Bundles must be sorted under 3.0 and meet the applicable standards in M020 and these conditions:

a. Bundle size for all required presort levels: required (minimum of 20 pounds/1,000 cubic inches, 40 pounds maximum; smaller bundles not permitted except for origin 3-digit(s)).

b. Bundle size for all optional presort levels: optional (minimum of 20 pounds/1,000 cubic inches, 40 pounds maximum; smaller bundles not permitted except for origin 3-digit(s)).

c. Bundles other than carrier route and 5-digit bundles must be labeled with facing slips that have similar information to that required for sack labels. A facing slip is not required on carrier route bundles. Five-digit bundles must contain pieces with the correct optional endorsement line or have a red Label D.

5.4 Physical Characteristics

Bundles must be machinable on USPS sack-sorting equipment, unless they consist of publications for entry and delivery in the same SCF service area. Machinability can be improved by cross-strapping and using heavy-gauge shrinkwrap or stretchwrap on each bundle. Bundles entered and delivered in the same SCF service area must be securely bound to withstand normal handling without breakage or injury to USPS employees or damage to mechanized sorting systems. Binding material must be applied at least once around both the length and girth. Wire and metal strapping are prohibited.

6.0 Combining Multiple Publications or Editions

6.1 Basic Information

A combined mailing is a mailing in which individually addressed copies of two or more Periodicals publications or editions are merged into a single mailstream, during production or after finished copies are produced, and all copies are sorted together to achieve the finest presort possible for the combined mailing. This process is also known as comailing. More than one publication, or edition of a publication, may be combined to meet the volume standard per tray, sack, or bundle, applicable to the presort rate claimed. Each piece must meet all applicable standards for the specific rate claimed. Nonprofit and Classroom publications may be combined with Regular publications only as permitted by standard.

6.2 Postage Statements

A separate postage statement must be prepared for the postage computations

for each publication or edition that is part of the combined mailing. The name and issue date of the publications with which each publication or edition was combined must be noted on, or attached to, the postage statements. To report postage for firm packages, the per piece postage computation (and nonadvertising adjustment, if applicable) for all copies included in firm packages must be on the postage statement for the publication (having copies in those packages) that contains the higher (or highest) amount of advertising.

7.0 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing, supported by documentation meeting the basic standards in P012. Effective January 1, 1997, postage statements must be supported by documentation produced by PAVE-certified software, or standardized documentation meeting the standards in P012.

M290 Preferred Periodicals

[Add new M290, based on current M201, M202, M203, and M205; M201.1.0, M202.1.0, and M203.1.0 are combined into new M290.1.0; the remainder of M201, M202, and M203, and all M205 are revised as M290.2.0, M290.3.0, M290.4.0, and M290.5.0, respectively, with subsections renumbered and revised accordingly for names of rates and mail classes.]

1.0 Basic Standards

1.1 Presort

All pieces in a Preferred Periodicals mailing must be sorted. All pieces must be in the same processing category unless specifically excepted by standard. Except for automation rate mailings, presort must at a minimum meet the standards in 2.0. Additional preparation might qualify pieces for other presort rates or discounts. Automation rate mailings must meet the presort standards in M800.

1.2 Single-Piece

Subject to the applicable standards, if sorting results in a single piece remaining that cannot be included in a package already prepared, that single piece may be sorted to a tray, sack, or pallet, as appropriate, without being prepared as a package.

1.3 Loose Packing

District managers may authorize loose packing of faced, unpackaged flat-size mail if there are enough pieces to fill a

No. 3 sack for the same 5-digit ZIP Code destination.

1.4 Firm Packages

A *firm* package is two or more copies for the same address placed in one package. If each copy has a delivery address, each may be claimed as a separate piece for presort and on the postage statement. The firm package may be claimed as one piece for presort and on the postage statement. If the copies are unaddressed, the firm package is considered one piece. A firm package sorted and claimed as one piece must be accompanied by (but must be physically separate from) five other pieces packaged to the same destination to satisfy a six-piece package requirement when applicable, regardless of the number of copies in the firm package.

1.5 Nonpostal Containers

Postmasters may authorize preparation of small volume mailings in nonpostal containers if they consist primarily of packages for local ZIP Codes, do not exceed 20 pounds, and do not require postal transportation for processing.

2.0 Preparation for Level G/J Rates

2.1 Package Preparation

Package size, preparation sequence, and labeling:

a. Firm: optional with at least two pieces; blue Label F or optional endorsement line (OEL).

b. 5-digit: required at six pieces; smaller packages permitted; red Label D or OEL; *labeling optional*.

c. City: optional with at least six pieces; yellow Label C or OEL.

d. 3-digit: required at six pieces; smaller packages permitted; green Label 3 or OEL.

e. SCF: optional at six pieces; smaller packages permitted; green Label 3 or OEL.

f. ADC: required with at least six pieces; pink Label A or OEL.

g. Mixed ADC: required with no minimum; tan Label MS or OEL.

2.2 Sack Preparation

Sack size, preparation sequence, and labeling:

a. 5-digit: required at four packages; fewer packages permitted; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. City: optional with no minimum except as required for rate eligibility; use lowest ZIP Code for destination from L001 for Line 1.

c. 3-digit: required at four packages; fewer packages permitted; use L002, Column A, for Line 1.

d. SCF: optional with no minimum; use L002, Column C, for Line 1.

e. ADC: required at four packages; fewer packages permitted; use L004 for Line 1.

f. Mixed ADC: required (no minimum); for Line 1, use MXD, followed by the city/state/ZIP of the ADC serving the 3-digit ZIP Code of the entry post office, as shown in L004.

2.3 Line 2

Line 2: PER or NEWS (as applicable), processing category, and:

a. City sacks: CITY, right-justified under the ZIP Code on Line 1.

b. Mixed ADC sacks: WKG.

c. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

3.0 Preparation for Level H Rates

3.1 Package Preparation

Package size, preparation sequence, and labeling:

a. Firm: optional with at least two pieces, subject to 1.5; blue Label F or optional endorsement line (OEL).

b. 5-digit: required at six pieces; smaller packages not permitted; red Label D or OEL; *labeling optional*.

c. City: optional with at least six pieces; yellow Label C or OEL.

d. Unique 3-digit: required at six pieces; smaller packages not permitted; green Label 3 or OEL.

3.2 Sack Preparation

Sack size, preparation sequence, and labeling:

a. 5-digit: required at four packages; fewer packages permitted; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. City: optional at one six-piece package, as required for rate eligibility; use lowest ZIP Code for destination from L001 for Line 1.

c. Unique 3-digit: required at four packages; fewer packages permitted; use L002, Column A, for Line 1.

3.3 Line 2

Line 2: PER or NEWS (as applicable) and processing category (and, on city sacks, CITY right-justified under the ZIP Code on Line 1).

4.0 Preparation for Level I/K Rates

4.1 Trays

Letter-size pieces may be prepared in letter trays rather than sacks. Letter-size pieces prepared in trays must be

packaged under 2.0, except that packages are not required when there is enough mail to fill a tray for the same carrier route. Rate eligibility remains subject to the applicable standards.

4.2 Walk-Sequence Mail

Pieces for which a walk-sequence discount is claimed must be prepared as a carrier route mailing under this section and the walk-sequencing standards in M050. Pieces prepared with a simplified address must also meet the corresponding standards. Walk-sequence letter- and flat-size pieces must be prepared in packages. In addition to labeling under 4.4 and 4.5, each package of walk-sequence mail must be labeled to show that the mail is walk sequenced. A facing slip with the phrase "WALK-SEQUENCED CARRIER ROUTE MAIL" may be placed on the top of each package of walk-sequence mail. It may be an address label with the required information placed on a sample mailpiece that is the top piece in the package, or a separate piece of paper affixed to the top of the package. If packages are prepared without facing slips, "WS" must immediately precede the carrier route information on a carrier route information line on each piece in the package.

4.3 Package Preparation

Package size, preparation sequence, and labeling:

a. Firm: optional with at least two pieces, subject to 1.4; blue Label F or optional endorsement line (OEL).

b. Carrier route: required at six pieces, subject to 4.5; smaller packages not permitted; label under 4.4.

4.4 Package Labels

Carrier route package labels are based on the sack level in which placed:

a. No label is required if the package is placed in a correctly labeled carrier route sack.

b. Packages in 5-digit carrier routes sacks must have a facing slip unless the pieces in the package show a carrier route information line.

c. Optional endorsement lines may be used instead of carrier route information lines or facing slips.

4.5 Higher Level

Mailers may choose to prepare carrier route packages at a higher level of route saturation than required in 4.4b (e.g., only when there are at least 15 pieces per route). Under this option, smaller packages (but with six or more pieces per carrier route) must be claimed at another rate and prepared accordingly.

4.6 Tray or Sack Preparation

Tray preparation is in the same sequence as for sacks; a tray must be prepared for a required presort destination when the corresponding pieces (or packages of pieces) fill a tray. Minimum volume per tray is the same as for a comparable sack. The information placed on tray labels is the same as on sack labels. Tray or sack size, preparation sequence, and labeling:

a. Carrier route: optional at one six-piece package minimum, required for rate eligibility; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. Carrier routes: optional at minimum of one six-piece package each for two different routes in the same 5-digit ZIP Code area; required for rate eligibility; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

4.7 Line 2

Line 2: PER or NEWS (as applicable), processing category, and:

a. Walk-sequence carrier route trays or sacks: WS and route type and number.

b. Carrier route trays or sacks: route type and number.

c. 5-digit carrier routes trays or sacks: CARRIER ROUTES.

5.0 Bedloaded Bundles (Flats)

5.1. Authorization

The RCSC manager serving the post office where the mailing is to be made may authorize preparation of flat-size Periodicals in bundles that are outside sacks if this preparation must benefit the USPS. Generally, authorization is approved only when the number of bundles is not more than the number of sacks that would otherwise be used in a mailing. The publisher or agent must submit an application for each publication, showing the name of the publication; the frequency of mailing, the post offices to which shipments are to be made, and the approximate numbers of copies and bundles to be deposited at each office. The RCSC manager rules on the application and informs the applicant in writing. If an authorization is approved, the publisher or agent must be prepared to provide information similar to that required on the original application for future issues of the publication, if requested by the RCSC manager. Authorization is approved for a specific period, not to exceed 2 years. Authorization to bundle instead of sack may be revoked when it is determined that the preparation method no longer benefits the USPS.

5.2 Package Preparation

Packages must be sorted and labeled under 2.1, 3.1, and 4.3 and meet the applicable basic standards in M020 and these conditions:

- a. Packages must contain at least six pieces but no more than 20 pounds of mail.
- b. Firm packages may contain as few as two copies of a publication and (except under 5.2c) do not have to be consolidated into bundles with other packages to the same 5-digit destination.
- c. All pieces must be in one package if they weigh less than 10 pounds. Ten pounds or more of mail for a destination must be prepared in packages weighing from 10 to 20 pounds each.
- d. The last package to a destination may contain less than 10 pounds of mail.
- e. All palletized packages of copalletized publications must contain at least six pieces.

5.3 Bundle Preparation

Bundles must be sorted under 2.2, 3.2, and 4.6 and meet the applicable standards in M020 and these conditions:

- a. Bundle size for all required presort levels: required (minimum of 20 pounds/1,000 cubic inches, 40 pounds maximum; smaller bundles not permitted).
- b. Bundle size for all optional presort levels: optional (minimum of 20 pounds/1,000 cubic inches, 40 pounds maximum; smaller bundles not permitted).
- c. Bundles other than carrier route and 5-digit bundles must be labeled with facing slips that have similar information to that required for sack labels. A facing slip is not required on carrier route bundles. Five-digit bundles must contain pieces with the correct optional endorsement line or have a red Label D.

5.4 Physical Characteristics

Bundles must be machinable on USPS sack-sorting equipment, unless they consist of publications for entry and delivery in the same SCF service area. Machinability can be improved by cross-strapping and using heavy-gauge shrinkwrap or stretchwrap on each bundle. Bundles entered and delivered in the same SCF service area must be securely bound to withstand normal handling without breakage or injury to USPS employees or damage to mechanized sorting systems. Binding material must be applied at least once around both the length and girth. Wire and metal strapping are prohibited.

6.0 Combining Multiple Publications or Editions

6.1 Basic Information

A combined mailing is a mailing in which individually addressed copies of two or more Periodicals publications or editions are merged into a single mailstream, during production or after finished copies are produced, and all copies are sorted together to achieve the finest presort possible for the combined mailing. This process is also known as comailing. More than one publication, or edition of a publication, may be combined to meet the volume standard per tray, sack, or bundle, applicable to the presort rate claimed. Each piece must meet all applicable standards for the specific rate claimed. Nonprofit and Classroom publications may be combined with Regular publications only as permitted by standard.

6.2 Postage Statements

A separate postage statement must be prepared for the postage computations for each publication or edition that is part of the combined mailing. The name and issue date of the publications with which each publication or edition was combined must be noted on, or attached to, the postage statements. To report postage for firm packages, the per piece postage computation (and nonadvertising adjustment, if applicable) for all copies included in firm packages must be on the postage statement for the publication (having copies in those packages) that contains the higher (or highest) amount of advertising.

7.0 Documentation

The publisher must be prepared to support information on postage statements required with a Periodicals publication (e.g., the number of pieces or weight of copies addressed or sorted to specific destinations or zones, prepared at specific presort levels, or prepared to qualify for a particular rate or discount). Except for mailings containing pieces at an automation rate, a destination entry rate, or a walk-sequence rate, the publisher may meet this standard at the time of mailing by separating sacks into groups based on the presort level for which their contents qualify. In other situations, the publisher must have available documentation meeting the standards in P012 that describes the mailing in sufficient detail to allow verification of the accompanying mailing's compliance with applicable preparation and eligibility standards.

[Remove current M300 and M400; no change to M500.]

* * * * *

[Add new M600, M610, M620, and M630, based on M300 and M400, as follows:]

M600 Standard Mail

M610 Single-Piece and Nonautomation Regular Standard Mail (A)

1.0 Single-Piece Rates

Each piece must be legibly marked "Standard" or "STD." Unmarked pieces are treated as First-Class Mail and charged postage at the applicable First-Class rate.

2.0 Basic Standards—Regular Nonautomation Rates

2.1 All Mailings

All Regular nonautomation (Basic and 3/5) rate mailings are subject to these general standards (automation rate Regular Standard Mail must be prepared under M810 or M820 as applicable):

- a. Each mailing must meet the applicable standards in E631 and in M010, M020, and M030.
- b. All pieces must be in the same processing category unless specifically excepted by standard.
- c. All pieces must be sorted together and prepared under M045 (if palletized) or M610.
- d. Sortation determines rate eligibility; pieces not claimed at or not eligible for the 3/5 rate must be claimed at the Basic rate.
- e. All pieces must be marked "Bulk Rate" or "Blk. Rt."
- f. Subject to 2.2, letter-size pieces must be prepared in trays and, unless palletized, flat-size pieces must be prepared in sacks.
- g. Postmasters may authorize preparation of small volume mailings in nonpostal containers if they consist primarily of packages for local ZIP Codes, do not exceed 20 pounds, and do not require postal transportation for processing.

2.2 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing, supported by documentation produced by PAVE- or MAC-certified software, or standardized documentation meeting the standards in P012. Documentation of postage is not required if the correct rate is affixed to each piece or if each piece is of identical weight and the pieces are separated by rate when presented for acceptance.

2.3 Limited Exception—Standard Mail (A)

The following exception is applicable until January 1, 1997; after that time, preparation will be based solely on the standards for the rate claimed and the processing category of the pieces, whether the same standards apply to other pieces claimed at other rates and produced as part of the same mailing job: When a Standard Mail (A) mailing job could, by size, qualify for Regular Standard Mail automation rates as either letters or flats, if part of the job is prepared as palletized flats at automation rates for flats, the remainder may be prepared as palletized flats at Enhanced Carrier Route rates and Regular nonletter nonautomation rates if the number of Regular nonletter nonautomation rate pieces does not exceed 15% of the total number of pieces in the entire mailing job.

2.4 Processing Instructions

If the mailer's preference is that the USPS does not attempt to upgrade (automate) letter- or card-size pieces presented at a nonautomation rate, trays of such mail may be identified with a facing slip or other device that conspicuously bears the words "DO NOT AUTOMATE" and a tray label on which Line 2 includes "NON-OCR."

3.0 Basic Preparation—Regular Nonautomation Rate Letter-Size Pieces

3.1 Package Preparation

Package size, preparation sequence, and labeling:

- a. 5-digit: required (10-piece minimum, fewer not permitted); red Label D or optional endorsement line (OEL); *labeling optional*.
- b. 3-digit: required (10-piece minimum, fewer not permitted); green Label 3 or OEL.
- c. ADC: required (10-piece minimum, fewer not permitted); pink Label A or OEL.
- d. Mixed ADC: required (no minimum); tan Label MS or OEL.

3.2 Tray Preparation

Only mail eligible for the 3/5 rate (i.e., 150 or more pieces in total for the 3-digit area) can be prepared in 5- and 3-digit trays under 3.2a and 3.2b. Tray size, preparation sequence, and labeling:

- a. 5-digit: required (full trays); no overflow; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the correct prefixes under M031.
- b. 3-digit: required (no minimum); use L002, Column A, for Line 1.
- c. Origin 3-digit(s): required (no minimum); use L002, Column A, for Line 1.

d. ADC: required (full trays); no overflow; use L004 for Line 1.

e. Mixed ADC: required (no minimum); for Line 1, use MXD, followed by the city/state/ZIP of the ADC serving the 3-digit ZIP Code of the entry post office, as shown in L004.

3.4 Line 2

Line 2: STD LTRS NON-OCR and, as applicable:

- a. Mixed ADC trays: WKG.
- b. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

4.0 Optional Preparation—Upgradable Regular Nonautomation Rate Letter-Size Pieces

4.1 Definition

Upgradable pieces are those that meet the standards in C810 for physical automation compatibility and the standards in C830 for an OCR read area and barcode clear zone, for reflectance, and for paper that can accept water-based ink. Addresses on upgradable pieces must be machine-printed in a nonscript font. Upgradable pieces prepared under 4.0 are not packaged.

4.2 Tray Preparation

Only mail eligible for the 3/5 rate (i.e., 150 or more pieces in total for the 3-digit area) can be prepared in 5- and 3-digit trays under 4.2a and 4.2b. Tray size, preparation sequence, and labeling:

- a. 5-digit: optional (full trays); no overflow; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the correct prefixes under M031.
- b. 3-digit: required (no minimum); use L002, Column A, for Line 1.
- c. Origin 3-digit(s): required (no minimum); use L002, Column A, for Line 1.
- d. AADC: required (full trays); no overflow; group pieces by 3-digit ZIP Code prefix; use L801 for Line 1.

e. Mixed AADC: required (no minimum); group pieces by AADC; for Line 1, use L802 (mail entered by the mailer at an ASF or BMC) or L803, as appropriate.

4.3 Line 2

Line 2: STD LTRS UPGR and, as applicable:

- a. Mixed AADC trays: WKG.
- b. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

5.0 Preparation—Regular Nonautomation Rate Flat-Size Pieces and All Irregular Parcels

5.1 Commingling Irregular Parcel Mailings

RCSCs may authorize the commingling of several permit imprint mailings of irregular parcels to achieve a finer presort, if adequate means are available to ensure that proper postage is paid. When authorizing commingling, RCSCs may waive minimum quantity standards for preparation of 5-digit and 3-digit packages if doing so results in a finer preparation of at least 50% of the mail.

5.2 Packaging Irregular Parcels

Irregular parcels are packaged under 5.3, except for:

- a. Irregular parcels 1/2 inch thick or thicker if they are placed in a sack to the same destination to which they would otherwise be packaged (e.g., in a 3-digit sack vs. a 3-digit package).
- b. Items so large that 10 or fewer pieces fill a sack.
- c. Pieces in a 5-digit sack containing both machinable and irregular parcels. (Sacks containing both machinable and irregular parcels may not be prepared to other presort levels.)

5.3 Package Preparation

Package size, preparation sequence, and labeling:

- a. 5-digit: required (10-piece minimum, fewer not permitted); red Label D or optional endorsement line (OEL).
- b. 3-digit: required (10-piece minimum, fewer not permitted); green Label 3 or OEL.
- c. ADC: required (10-piece minimum, fewer not permitted); pink Label A or OEL.
- d. Mixed ADC: required (no minimum); tan Label MS or OEL.

5.4 Loose Packing

District managers of customer services may authorize loose packing of unpackaged pieces to fill Number 3 sacks if no material in a sack would be more finely sorted if packaged. Pieces must be faced and packed to remain oriented in transit. The total weight of pieces placed in one sack may not exceed 70 pounds. Requests to loose-pack mail must be made through the post office of mailing.

5.5 Required Sacking

A sack must be prepared when the quantity of mail for a required presort destination reaches either 125 pieces or 15 pounds of pieces, whichever occurs first, subject to these conditions:

a. For identical-weight pieces, a single-piece weight of 1.92 ounces (0.12 pound) results in 125 pieces weighing 15 pounds. Identical-weight pieces weighing 1.92 ounces (0.12 pound) or less must be prepared using the 125-piece minimum; those that weigh more must be prepared using the 15-pound minimum.

b. For nonidentical-weight pieces, mailers must either use the minimum that applies to the average piece weight for the entire mailing (divide the net weight of the mailing by the number of pieces; the resulting average single-piece weight determines whether the 125-piece or 15-pound minimum applies) or sack by the actual piece count or mail weight for each sack, if documentation can be provided with the mailing that shows (specifically for each sack) the number of pieces and their total weight.

c. Mailers must note on the accompanying postage statement whether they applied the 125-piece ("PCS") or 15-pound ("WT") threshold or the method in 5.5b ("BOTH").

5.6 Drop Shipment

Mailers who use Priority Mail or Express Mail to drop ship Standard Mail (A) may prepare sacks containing fewer than 125 pieces or less than 15 pounds of mail.

5.7 Sack Preparation

Sack size (subject to 5.4, 5.5, and 5.6), preparation sequence, and labeling:

a. 5-digit: as applicable:

(1) Flats or irregular parcels: required (minimum of 125 pieces/15 pounds, smaller volume not permitted); use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

(2) Commingled machinable and irregular parcels: required at 10 pounds, smaller volume permitted; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. 3-digit: required (minimum of 125 pieces/15 pounds, smaller volume not permitted, except no minimum for origin 3-digit(s)); use L002, Column A, for Line 1.

c. ADC: required (minimum of 125 pieces/15 pounds, smaller volume not permitted); for Line 1, use L004 (for flats) or L603 (for irregular parcels), as appropriate.

d. Mixed ADC: required (no minimum); for Line 1, use MXD, followed by the city/state/ZIP of the ADC serving the 3-digit ZIP Code of the entry post office, as shown in L004 (for flats) or L604 (for irregular parcels), as appropriate.

5.8 Line 2

Line 2: STD and:

a. 5-digit sacks of machinable and irregular parcels: 3C MACH AND IRREG.

b. Sacks of commingled irregular parcels: 3C COMM IRREG.

c. All other sacks: FLTS or 3C IRREG (as appropriate).

d. Mixed ADC sacks: WKG.

e. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

6.0 Regular Rate Machinable Parcels

6.1 5-Digit Sacks

Five-digit sacks containing both machinable and irregular parcels must be prepared under 5.0. Every possible 5-digit sack must be prepared in any mailing including pieces claimed at the 3/5 rate. If every possible 5-digit sack is not prepared when there are 10 pounds or more of mail for that destination, the 3/5 rate may not be claimed for any part of the mailing.

6.2 Sack Preparation

Sack size, preparation sequence, and labeling:

a. 5-digit: optional at 10 pounds except under 6.1; use 5-digit ZIP Code destination of pieces for Line 1, preceded for military mail by the prefixes under M031.

b. Destination ASF: required for DBMC rate only (10-pound minimum, smaller volume not permitted); use L602 for Line 1.

c. Destination BMC: required (10-pound minimum, smaller volume not permitted); use L602 if DBMC rate is claimed; otherwise, use L601 for Line 1.

d. Mixed BMC: required (no minimum); use L601 to show entry BMC for Line 1.

6.3 Line 2

Line 2: STD 3C MACH and:

a. Mixed BMC sacks: MIXED BMC.

b. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

7.0 Bedloaded Bundles of Regular Nonautomation Rate Flat-Size Pieces

7.1 Authorization

The RCSC manager serving the post office where the mailing is to be made may authorize preparation of nonautomation rate Regular Standard Mail (A) in bundles that are outside sacks if this preparation benefits the USPS. Generally, authorization is approved only when the number of bundles is not more than the number of

sacks that would otherwise be used in a mailing. The mailer or agent must submit an application for each product, showing the name of the mailer, the frequency of mailing, the post offices to which shipments are to be made, and the approximate numbers of copies and bundles to be deposited at each office. The RCSC manager rules on the application and informs the applicant in writing. If an authorization is approved, the mailer or agent must be prepared to provide information for future filings, similar to that required on the original application, if requested by the RCSC manager. Authorization is approved for a specific period, not to exceed 2 years. Authorization to bundle instead of sack may be revoked when it is determined that the preparation method no longer benefits the USPS.

7.2 Documentation

Documentation must be provided under 2.2, applying those standards to bundles rather than sacks.

7.3 Package Preparation

Package size for all presort levels: two-piece minimum, 20-pound maximum. Preparation sequence and labeling of packages are subject to 5.0.

7.4 Bundle Preparation

Bundle size for all presort levels: minimum of two packages/20 pounds/1,000 cubic inches, 40 pounds maximum; smaller bundles not permitted. Preparation sequence is subject to 5.0. Five-digit bundles must contain pieces with the correct optional endorsement line or have a red Label D. Other bundles must be labeled with facing slips that have similar information to that required for sack labels. A facing slip is not required on packages too large to be placed in a bundle.

7.5 Physical Characteristics

Bundles must be machinable by USPS sack-sorting equipment, unless they consist of pieces for entry and delivery in the same SCF service area. Machinability can be improved by cross-strapping and using heavy-gauge shrinkwrap or stretchwrap on each bundle. Bundles entered and delivered in the same SCF service area must be securely bound to withstand normal handling without breakage or injury to USPS employees or damage to mechanized sorting systems. Binding material must be applied at least once around both the length and girth. Wire and metal strapping are prohibited.

M620 Enhanced Carrier Route Standard Mail (A)

1.0 Basic Standards

1.1 All Mailings

All nonautomation rate Enhanced Carrier Route mailings are subject to these general standards (automation rate Enhanced Carrier Route mailings must be prepared under M810):

- a. Each mailing must meet the applicable standards in E632 and in M010, M020, and M030.
- b. All pieces must be in the same processing category, except that automation Basic Carrier Route rate may not be included in the same mailing as other Enhanced Carrier Route mail.
- c. All pieces must be sorted together and prepared under M045 (if palletized) or under M620.
- d. Sortation determines rate eligibility; pieces not claimed at or not eligible for the High Density or Saturation rates must be claimed at the Basic Carrier Route rate.
- e. Subject to M012, all pieces must be marked "Bulk Rate" or "Blk. Rt." In addition, automation Basic Carrier Route, Basic, High Density, and Saturation rate pieces must each be marked "AUTOCR," "ECRL0T," "ECRWSH," or "ECRWSS," respectively, either in the correct optional endorsement line under M013 or in the correct carrier route information line under M014. Pieces not claimed at the corresponding rate must not bear the "AUTOCR," "ECRL0T," "ECRWSH," or "ECRWSS" marking.
- f. Letter-size pieces must be prepared in trays and, unless palletized, flat-size pieces must be prepared in sacks.
- g. Postmasters may authorize preparation of small volume mailings in nonpostal containers if they consist primarily of packages for local ZIP Codes, do not exceed 20 pounds, and do not require postal transportation for processing.

1.2 High Density and Saturation Rates

Pieces claimed at the High Density or Saturation rate must be prepared as a carrier route mailing under this section and the walk-sequencing standards in M050. Pieces prepared with a simplified address must also meet the corresponding standards.

1.3 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing, supported by documentation produced by PAVE- or MAC-certified software, or standardized documentation meeting the standards in

P012. Documentation of postage is not required if the correct rate is affixed to each piece, or if each piece is of identical weight and the pieces are separated by rate when presented for acceptance. In addition, at the time a mailing is submitted for presort and postage verification, the mailer must submit a list of the number of pieces qualifying for each Enhanced Carrier Route rate claimed by 5-digit ZIP Code and, within each, by carrier route; additional documentation is required under M050 for the High Density and Saturation rates. After the first mailing, the postmaster may authorize the mailer to keep the records and submit them on request. The mailer must keep these records for 90 days after the mailing date, or until any action pending on the recalculation of postage is resolved to USPS satisfaction.

1.4 Limited Exception—Standard Mail (A)

The following exception is applicable until January 1, 1997; after that time, preparation will be based solely on the standards for the rate claimed and the processing category of the pieces, whether the same standards apply to other pieces claimed at other rates and produced as part of the same mailing job: When a Standard Mail (A) mailing job could, by size, qualify for Regular Standard Mail automation rates as either letters or flats, if part of the job is prepared as palletized flats at automation rates for flats, the remainder may be prepared as palletized flats at Enhanced Carrier Route rates and Regular nonletter nonautomation rates if the number of Regular nonletter nonautomation rate pieces does not exceed 15% of the total number of pieces in the entire mailing job.

2.0 Package Preparation

2.1 General

Only carrier route packages are prepared. Packages are not required in full carrier route trays.

2.2 Package Preparation

Package size: carrier route; required (10-piece minimum, fewer not permitted). Carrier route package labels are based on the sack or tray level in which placed:

- a. No label is required if the package is placed in a correctly labeled carrier route tray or sack.
- b. Packages in 5-digit carrier routes trays and sacks must have a facing slip unless the pieces in the package show a carrier route information line or an optional endorsement line.

3.0 Tray Preparation—Letter-Size Pieces

3.1 Tray Preparation

Tray size, preparation sequence, and labeling:

- a. Carrier route: required full tray; no overflow; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- b. 5-digit carrier routes: required (no minimum); use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

3.2 Line 2

- Line 2: STD LTRS and:
 - a. Basic Carrier Route trays: ECRLOT and route type and number.
 - b. High Density trays: ECRWSH and route type and number.
 - c. Saturation trays: ECRWSS and route type and number.
 - d. 5-digit carrier routes trays: CR-RTS.

4.0 Sack Preparation—Other Pieces

4.1 Required Sacking

A sack must be prepared when the quantity of mail for a required presort destination reaches either 125 pieces or 15 pounds of pieces, whichever occurs first, subject to these conditions:

- a. For identical-weight pieces, a single-piece weight of 1.92 ounces (0.12 pound) results in 125 pieces weighing 15 pounds. Identical-weight pieces weighing 1.92 ounces (0.12 pound) or less must be prepared using the 125-piece minimum; those that weigh more must be prepared using the 15-pound minimum.
- b. For nonidentical-weight pieces, mailers must either use the minimum that applies to the average piece weight for the entire mailing (divide the net weight of the mailing by the number of pieces; the resulting average single-piece weight determines whether the 125-piece or 15-pound minimum applies) or sack by the actual piece count or mail weight for each sack, if documentation can be provided with the mailing that shows (specifically for each sack) the number of pieces and their total weight.

- c. Mailers must note on the accompanying postage statement whether they applied the 125-piece ("PCS") or 15-pound ("WT") threshold or the method in 4.1b ("BOTH").

4.2 Sack Preparation

Sack size, preparation sequence, and labeling:

- a. Carrier route: required (minimum of 125 pieces/15 pounds, smaller volume not permitted); use 5-digit ZIP Code

destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. 5-digit carrier routes: required (no minimum); use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

4.3 Line 2

Line 2: STD, FLTS or 3C IRREG (as appropriate), and:

a. Basic Carrier Route sacks: ECRLOT and route type and number.

b. High Density sacks: ECRWSH and route type and number.

c. Saturation sacks: ECRWSS and route type and number.

d. 5-digit carrier routes sacks: CR-RTS.

5.0 Residual Mail

Pieces not sorted under 2.0 and either 3.0 or 4.0 must be prepared as a separate mailing at Regular Standard Mail rates.

6.0 Bedloaded Bundles

6.1 Authorization

The RCSC manager serving the post office where the mailing is to be made may authorize preparation of Enhanced Carrier Route Standard Mail in bundles that are outside sacks if this preparation benefits the USPS. Generally, authorization is approved only when the number of bundles is not more than the number of sacks that would otherwise be used in a mailing. The mailer or agent must submit an application for each product, showing the name of the mailer, the frequency of mailing, the post offices to which shipments are to be made, and the approximate numbers of copies and bundles to be deposited at each office. The RCSC manager rules on the application and informs the applicant in writing. If an authorization is approved, the mailer or agent must be prepared to provide information for future filings, similar to that required on the original application, if requested by the RCSC manager. Authorization is approved for a specific period, not to exceed 2 years. Authorization to bundle instead of sack may be revoked when it is determined that the preparation method no longer benefits the USPS.

6.2 Package Preparation

Package size for all presort levels: two-piece minimum, 20-pound maximum. Preparation sequence and labeling of packages are subject to 2.0.

6.3 Bundle Preparation

Bundle size for all presort levels: minimum of two packages/20 pounds/1,000 cubic inches, 40 pounds

maximum; smaller bundles not permitted. Preparation sequence is subject to 4.0. Five-digit bundles must contain pieces with the correct optional endorsement line or have a red Label D. A facing slip is not required on packages too large to be placed in a bundle.

6.4 Physical Characteristics

Bundles must be machinable by USPS sack-sorting equipment, unless they consist of pieces for entry and delivery in the same SCF service area. Machinability can be improved by cross-strapping and using heavy-gauge shrinkwrap or stretchwrap on each bundle. Bundles entered and delivered in the same SCF service area must be securely bound to withstand normal handling without breakage or injury to USPS employees or damage to mechanized sorting systems. Binding material must be applied at least once around both the length and girth. Wire and metal strapping are prohibited.

M630 Standard Mail (B)

1.0 Parcel Post

1.1 Marking

Pieces mailed at the single-piece parcel post rates do not require a marking. Each piece mailed at the bulk parcel post rates must be marked "Bulk Parcel Post" or "Bulk PP." Each piece mailed at the DBMC parcel post rates must be marked "DBMC Parcel Post" or "DBMC PP." If postage for the piece is paid with a permit imprint and the office of mailing is in a different 3-digit ZIP Code area from the post office in the return address, the 5-digit ZIP Code or the 3-digit ZIP Code prefix of the office of mailing must be included in the indicia or incorporated in the required marking (e.g., "DBMC PP 011" or "DBMC Parcel Post Mailed From 01101"). Pieces not clearly marked as required are treated as single-piece rate parcel post and subject to additional postage as necessary.

1.2 Separation

DBMC and bulk parcel post pieces must be separated by zones when presented unless either the correct postage is affixed to each piece or the mailing is prepared under 8.0. For mailings prepared in sacks, pieces for more than one zone may not be placed in the same sack, and sacks must be separated by zone when presented to the USPS.

1.3 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing at other than single-piece

rates when the full postage is not affixed to each piece.

2.0 Bound Printed Matter

2.1 Basic Standards

There are no presort, sacking, or labeling standards for single-piece rate bound printed matter. All bulk rate bound printed matter must be prepared under 2.6 and 2.7, except for carrier route bound printed matter, machinable pieces, bedloaded bundles, or palletized pieces and bundles under 3.0, 6.0, 7.0, and M045, respectively.

2.2 Separation

Pieces must be separated by zones when presented unless either the correct postage is affixed to each piece or the mailing is prepared under 8.0. Pieces for more than one zone may not be placed in the same bundle or sack, and bundles and sacks must be separated by zone when presented to the USPS.

2.3 Marking

Each piece claimed at single-piece bound printed matter rates must be marked "Bound Printed Matter." Each piece claimed at bulk bound printed matter rates must be marked "Bound Printed Matter" and "Bulk Rate" or "Blk. Rt." Pieces not clearly marked as required are treated as single-piece rate parcel post and subject to additional postage as necessary.

2.4 Catalogs

In addition to marking under 2.3, catalogs must be marked "CATALOG RATE" or "CATALOG." For this standard, a *catalog* is bound printed matter consisting entirely of advertising. *Advertising* includes all material for the publication of which a valuable consideration is paid, accepted, or promised, which calls attention to something for getting people to buy it, seek it, sell it, or support it. Public service advertisements for which no consideration is paid are not advertising for postal purposes. Advertising includes:

a. Reading matter or other material, for the publication of which an advertising rate is charged.

b. Articles, items, and notices that are reading matter inserted by a custom or understanding that textual matter is to be inserted for the advertiser or the advertiser's products in the publication where a display advertisement appears.

c. Material in a publication advertising its own services or issues, or any other business (or products or services) of its publisher, whether display advertising or editorial or reading matter.

2.5 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing at other than single-piece rates when the full postage is not affixed to each piece.

2.6 Sack Preparation

Sack size, preparation sequence, and labeling:

a. 5-digit: required at 10 pieces/20 pounds/1,000 cubic inches; smaller volume permitted; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. 3-digit: required at 10 pieces/20 pounds/1,000 cubic inches (no minimum for origin 3-digit(s)); smaller volume permitted; use L002, Column A, for Line 1.

c. SCF: optional (10 pieces/20 pounds/1,000 cubic inches minimum; smaller volume not permitted); use L002, Column C, for Line 1.

d. ADC: optional (no minimum); for Line 1, use L004 (for flats) or L603 (for irregular parcels), as applicable.

e. Mixed ADC: required (no minimum); for Line 1, use MXD followed by the city/state/ZIP of the ADC serving the 3-digit ZIP Code of the entry post office, as shown in L004 (for flats) or L604 (for irregular parcels), as applicable.

2.7 Line 2

Line 2: STD 4C, FLTS or IRREG (as applicable), and:

a. Mixed ADC sacks: WKG.

b. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

3.0 Carrier Route Bound Printed Matter

3.1 Preparation

Carrier route rate bound printed matter must be prepared under 3.5, 3.6, and 3.7, unless prepared as machinable pieces, bedloaded bundles, or palletized under 6.0, 7.0, or M045, respectively.

3.2 Marking

Each piece claimed at carrier route bulk bound printed matter rates must be marked "Bound Printed Matter Blk. Rt." and "Carrier Route Presort" or "CAR-RT SORT." In addition, catalogs must be marked "CATALOG RATE" or "CATALOG." Catalog is defined in 2.4. Residual pieces in a carrier route bulk bound printed matter mailing may have the "Carrier Route Presort" or "CAR-RT SORT" marking if the number of residual pieces to any single 5-digit ZIP

Code area does not exceed 5% of the total qualifying carrier route rate pieces addressed to that 5-digit area. The residual pieces must be separated from the qualifying pieces when presented to the USPS. Pieces not clearly marked as required are treated as single-piece rate parcel post and subject to additional postage as necessary.

3.3 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing at other than single-piece rates when the full postage is not affixed to each piece. Documentation is subject to the general standards in P012. At the time a mailing is submitted for presort and postage verification, the mailer must submit a list of the number of qualifying and residual pieces for each 5-digit ZIP Code and, within each, by carrier route. After the first mailing, the postmaster may authorize the mailer to keep the records and submit them on request. The mailer must keep these records for 90 days after the mailing date, or until any action pending on the recalculation of postage is resolved to USPS satisfaction.

3.4 Package Preparation

Packages must meet the applicable basic standards in M020. Package size, preparation sequence, and labeling: Carrier route; required (minimum of 10 pieces/20 pounds/1,000 cubic inches, smaller packages not permitted); facing slip required unless the pieces in the package show a carrier route information line.

3.5 Sack Preparation

Sack size, preparation sequence, and labeling:

a. Carrier route: optional (minimum of 10 pieces/20 pounds/1,000 cubic inches, smaller volume not permitted); use 5-digit destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. 5-digit carrier routes: required (no minimum); use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

3.6 Line 2

Line 2: STD 4C, FLTS or IRREG (as applicable), and:

a. Carrier route sacks: route type and number.

b. 5-digit carrier routes sacks: CR-RTS.

3.7 Residual Pieces

Residual mail not sorted under 3.5, 3.6, and 3.7 may be prepared in packages of fewer than 10 pieces each

for individual carrier routes. Residual pieces must be sacked under 2.0. Residual pieces may be included in a carrier route presort rate mailing with the "Carrier Route Presort" or "CAR-RT SORT" marking if postage is paid at the applicable bulk bound printed matter rate. These pieces must be separated from the qualifying carrier route rate pieces when presented to the USPS. The number of residual pieces endorsed "Carrier Route Presort" or "CAR-RT SORT" addressed to any single 5-digit ZIP Code area must not exceed 5% of the total qualifying carrier route pieces addressed to that 5-digit area.

4.0 Special Standard Mail

4.1 Basic Standards

There are no preparation standards for single-piece Special Standard Mail. Presorted Special Standard Mail must be prepared under 4.4, 4.5, and 4.6, unless prepared as machinable pieces, bedloaded bundles, or palletized, under 6.0, 7.0, or M045, respectively. Mailings of nonmachinable (outside) pieces eligible for the presort rates must be prepared to preserve the required presort as instructed by the mailing office postmaster.

4.2 Marking

Each piece claimed at Special Standard Mail single-piece rates must be marked "Special Standard Mail." Each piece claimed at Presorted Special Standard Mail rates must be marked "Presorted Special Standard Mail." Pieces not clearly marked as required are treated as single-piece parcel post and subject to additional postage as necessary.

4.3 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing at other than single-piece rates when the full postage is not affixed to each piece.

4.4 Sack or Bundle Preparation (5-Digit Rate)

Sack or bundle size, preparation sequence, and labeling: 5-digit (only); required (minimum of eight pieces/20 pounds/1,000 cubic inches, smaller volume not permitted); 20-pound maximum for bundles; no label required on bundles; on sacks, use 5-digit ZIP Code destination of pieces for Line 1, preceded for military mail by the prefixes under M031.

4.5 Sack Preparation (BMC Rate)

Sack size, preparation sequence, and labeling: destination BMC (only); required (minimum of four pieces/20

pounds/1,000 cubic inches, smaller volume not permitted); use L601 for Line 1.

4.6 Line 2

Line 2: STD 4C and processing category. As required by the labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

5.0 Library Mail

5.1 Basic Standards

There are no preparation standards for single-piece Library Mail, except that, if 1,000 or more identical-weight Library Mail pieces are mailed during a single day, they must be sorted and sacked under 2.0 unless prepared as machinable parcels or palletized subject to 6.0 or M045, respectively.

5.2 Marking

Each piece of Library Mail must be marked "Library Rate" or "Library Mail." Pieces not clearly marked as required are treated as single-piece parcel post and subject to additional postage as necessary.

5.3 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing when the full postage is not affixed to each piece.

6.0 Machinable Parcels

6.1 Basic Standards

All Standard Mail (B) machinable parcels must be prepared in sacks under 6.2 or palletized under M045. Parcel post or bound printed matter pieces must be separated by zones when presented to the USPS unless either the correct postage is affixed to each piece or the mailing is prepared under 8.0. Pieces for more than one zone may not be placed in the same bundle or sack, and bundles and sacks must be separated by zone when presented to the USPS.

6.2 Sack Preparation

Sack size, preparation sequence, and labeling:

a. 5-digit: required (minimum of 10 pieces/20 pounds/1,000 cubic inches, smaller volume not permitted); use 5-digit ZIP Code destination of pieces for Line 1, preceded for military mail by the prefixes under M031.

b. ASF: allowed and required only if DBMC rate is claimed for mail deposited at ASF (minimum of 10 pieces/20 pounds/1,000 cubic inches, smaller volume not permitted); use L602 for Line 1.

c. Destination BMC: required (minimum of 10 pieces/20 pounds/1,000 cubic inches, smaller volume not permitted); use L601 (L602 if DBMC rate claimed) for Line 1.

d. Mixed BMC: required (no minimum); use L601 to show entry BMC for Line 1.

6.3 Line 2

Line 2: STD 4C MACH and:
a. Mixed BMC sacks: MIXED BMC.
b. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

7.0 Bound Printed Matter as Bedloaded Bundles

7.1 Authorization

The RCSC manager serving the post office where the mailing is to be made may authorize preparation of bound printed matter in bundles that are outside sacks if this preparation benefits the USPS. Generally, authorization is approved only when the number of bundles is not more than the number of sacks that would otherwise be used in a mailing. The mailer or agent must submit an application for each product, showing the name of the mailer, the frequency of mailing, the post offices to which shipments are to be made, and the approximate numbers of copies and bundles to be deposited at each office. The RCSC manager rules on the application and informs the applicant in writing. If an authorization is approved, the mailer or agent must be prepared to provide information for future filings, similar to that required on the original application, if requested by the RCSC manager. Authorization is approved for a specific period, not to exceed 2 years. Authorization to bundle instead of sack may be revoked when it is determined that the preparation method no longer benefits the USPS.

7.2 Separation

Unless prepared under 8.0, pieces for more than one zone may not be placed in the same package or bundle, and packages and bundles must be separated by zone when presented to the USPS.

7.3 Package Preparation

Packages must meet the applicable basic standards in M020. Package size: two-piece minimum, 20-pound maximum. Sort sequence and labeling of packages are subject to 2.0 or 3.0, as applicable for the rate claimed.

7.4 Bundle Preparation

Bundles must meet the applicable basic standards in M020. Bundles must be machinable by USPS sack-sorting

equipment, unless they consist of pieces for entry and delivery in the same SCF service area. Machinability can be improved by cross-strapping and using heavy-gauge shrinkwrap or stretchwrap on each bundle. Bundles entered and delivered in the same SCF service area must be securely bound to withstand normal handling without breakage or injury to USPS employees or damage to mechanized sorting systems. Binding material must be applied at least once around both the length and girth. Wire and metal strapping are prohibited.

7.5 Bundle Preparation

Bundle size, preparation sequence, and labeling: For all presort levels: minimum of two packages/20 pounds/1,000 cubic inches, 40 pounds maximum; smaller bundles not permitted. Sort sequence is same as sacks under 2.0 or 3.0, as applicable for the rate claimed. Bundles other than carrier route and 5-digit bundles must be labeled with facing slips that have similar information to that required for sack labels. A facing slip is not required on carrier route bundles. The 5-digit bundles must contain pieces with the correct optional endorsement line or have a red Label D. Packages too large to be placed in a bundle do not require a facing slip. Optional endorsement lines may be used instead of facing slips on other than mixed states bundles, subject to M013.

8.0 Commingling Zones

Zoned Standard Mail pieces need not be separated by zones when presented other than as individual pieces or with full correct postage affixed to each piece, subject to this section. Nonidentical-weight pieces not bearing the full correct postage may not be commingled unless authorized by the RCSC manager serving the office of mailing. These provisions also apply to bundles of bound printed matter, whether bedloaded, sacked, or palletized. The mail must be prepared and documented:

a. Under P710 or P730; or

b. Under all these conditions:

(1) A unique number is assigned to each sack/pallet in the mailing and printed on a separate line at the top of the sack/pallet label (above the Line 1 information on bound printed matter).
(2) For bound printed matter and all palletized mailings, Line 2 of the sack/pallet label for each sack/pallet that contains mail for more than one zone also shows "MIXED ZONES" and the zone numbers (e.g., "STD FLTS MIXED ZONES 2 & 3").

(3) A detailed list accompanies each mailing or mailing segment, sequenced

numerically by the numbers assigned to sacks/pallets in the mailing, that shows the post office where the mail is to be entered (entry post office), a unique identifier for the mailing or mailing segment that also appears on the corresponding postage statement(s), the name and address of the mailer, the permit number (if applicable), the date of mailing, individual line entries for each sack/pallet, and the total number of pieces to each zone and in the entire mailing or mailing segment. Line entries for sacks/pallets containing mail for only one zone must show the sack/pallet number, the level of sortation, the zone for which the mail is destined, and the total number of pieces for the sack/pallet. Entries for sacks/pallets containing mail for more than one zone must also show (by zone) the number of pieces to each 3-digit ZIP Code area and the total number of pieces for that zone for the sack/pallet. Mailings are not accepted if there are discrepancies between the information in the detailed listing or on the postage statement and the results of USPS random verification of piece counts and postage.

M690 Nonprofit Standard Mail

M692 Basic and 3/5 Presort

[Insert text of current M302 and redesignate sections accordingly. In 1.2, replace the references "M302," "M305," and "M306" with "M692," "M695," and "M696," respectively; in 1.2 and 3.3, replace "bulk third-class" with "Nonprofit Standard Mail"; remove current 1.3 and 1.6 and renumber succeeding sections accordingly; in renumbered 1.5, replace "special (nonprofit)" with "Nonprofit"; in renumbered 1.8a, replace "City and 3-digit sacks" with "The 3-digit sacks"; in 2.1, remove "or optional city"; remove 2.2c, 2.2f, 2.3c, 2.3f, 3.4b, 3.4e, 3.5b, 3.5e, 3.6b, and 3.6d and reletter succeeding sections accordingly; in relettered 2.2e, 2.3e, 3.4d, and 3.5d, replace "State" with "ADC"; in relettered 2.2f, 2.3f, 3.4e, 3.5e, and 3.6e, replace "M[ixed states]" with "M[ixed ADC]"; in relettered 2.3e, replace "orange Label S" with "pink Label A"; in relettered 3.5c, replace "Column B" with "Column C"; in relettered 3.5d, replace the references "L703 or L704" with "L004 (flats) or L603 (irregular parcels), as applicable"; and in relettered 3.5e, replace "origin SDC" with "origin "ADC" and replace the references "L706 or L707, as applicable" with "L004"; in 3.6, replace "3C" with "STD"; no other change to text.]

M693 Carrier Route

[Insert text of current M303 and redesignate sections accordingly. In 1.2, replace "bulk third-class" with "Nonprofit Standard Mail," the reference "M043" with "M045," the reference "M303" with "M693," and the reference "M304" with "M050"; remove 1.3 and 1.5, and renumber succeeding sections accordingly; in renumbered 1.3, replace the reference "D300" with "D600"; in renumbered 1.5, replace the reference "1.5 or 1.6, as applicable" and "Exhibit 1.7" with "1.4" and "Exhibit 1.5," respectively; redesignate current Exhibit 1.7 as Exhibit 1.5; in 2.7, replace the reference "1.7" with "1.5"; in 3.3a, replace the references "E334" and "M304" with "E632" and "M693," respectively; in 3.4b, replace the reference "E334" with "E632"; and in 3.6, replace "3C" with "STD 3C"; no other change to text.]

M695 Machinable Parcels

[Insert text of current M305 and redesignate as M695; in 2.3, replace the references to "L705" and "L708" with "L601" and "L602," respectively; in 2.4, replace "3C" with "STD 3C"; no other change in text.]

M696 Irregular Parcels

[Insert text of current M306 and redesignate as M696; in 1.5, replace "bulk third-class" with "Nonprofit Standard Mail"; in 2.0, replace the reference "M302" with "M692"; in 3.0, replace "3C" with "STD 3C" and the reference "M302" with "M692."]

M697 Bedloaded Bundles

[Insert text of current M307 and redesignate as M697; in 1.2, replace "third-class mail" with "Nonprofit Standard Mail"; in 2.3, replace the references "M302 or M303" with "M692 or M693"; in 3.3, replace the references "M302 or M303" with "M692 or M693."]

M698 Combined Mailings of Nonprofit Standard Mail and Standard Mail (B) Machinable Parcels

[Insert text of current M073 and redesignate as M698. In 1.1, replace "third-class and fourth-class" with "Nonprofit Standard Mail and Standard Mail (B)"; in 1.2, replace "third- or fourth-class" with "Nonprofit Standard Mail or Standard Mail (B) and remove "class or"; in 1.5, replace the reference "M043" with "M045"; in 1.6 and 1.7, replace "class" with "category"; in 1.7 and 2.3, replace "third- and fourth-class" with "Nonprofit Standard Mail and Standard Mail (B) pieces"; in 3.2, replace the references "L705" and "L708" with "L601" and "L602,"

respectively; in 3.3, replace "3C/4C" with "STD 3C/4C."]

M800 Automation-Compatible Mail

[Move text of current M810 and M820 to M890 and renumber and revise as shown below to apply only to Preferred Periodicals and Nonprofit Standard Mail. For automation rate First-Class, Regular Periodicals, and Standard Mail (A), add new M810 (replacing M814, M815, and M816) and new M820 (replacing M823), as follows (M812, M813, M817, M818, M819, M825, and M827 are removed for these subclasses).]

[Add new M810 as follows:]

M810 Letter-Size Mail (Except Preferred Periodicals and Nonprofit Standard Mail)

1.0 Basic Standards

1.1 Standards

Letter-size automation rate First-Class, Regular Periodicals, and Standard Mail (A) must be prepared under M810, subject to the basic eligibility standards applicable to the rate claimed. Package and tray preparation are subject to the general standards in M010, M020, and M030. Firm packages may not be included in mailings prepared under M810. Effective January 1, 1997, trays must be labeled with barcoded tray labels under M032.

1.2 Mailings

All pieces in a mailing must meet the standards in C810 and must be sorted together to the finest extent required. A single automation rate mailing (e.g., automation First-Class) may include pieces prepared at all available rate levels (e.g., 5-Digit, 3-Digit, and Basic); all may be reported on the same postage statement and documentation. Information about the definition of a mailing and permissible combinations is in M011.

1.3 Marking

First-Class pieces must be marked "First-Class" or "Presorted First-Class"; Standard Mail must be marked either "Bulk Rate" or "Blk. Rt." In addition, all pieces must be marked "AUTO" (or "AUTOCR" for carrier route rate pieces, as appropriate). No markings are required on Periodicals pieces. Pieces not claimed at an automation rate must not be marked "AUTO" or "AUTOCR."

1.4 General Preparation

Grouping, packaging, and labeling are not generally required, with these exceptions:

- a. No packaging is required in full trays except for any mailing consisting

entirely of card-size pieces. Pieces must be packaged to preserve orientation in overflow and less-than-full trays.

b. Pieces must be grouped as specified below in 5-digit carrier routes, AADC, and mixed AADC trays, and for Regular Periodicals.

c. Package labels are required only for Regular Periodicals.

1.5 Carrier Route Rates

Preparation of mail to qualify for automation carrier route rates is optional for First-Class and Standard Mail (A) pieces, subject to the availability limitations in E140 and E641.

1.6 Scheme Sortation

Scheme sortation is required for automation rate First-Class, Regular Periodicals, and Standard Mail (A) mail for those 3-digit ZIP Code prefix groups listed in L003. Each 3-digit scheme group is subject to a single minimum volume standard.

1.7 First-Class Cards

Pieces claimed at First-Class card rates and pieces claimed at First-Class letter rates are each subject to a separate minimum volume criteria whether prepared as separate or combined mailings. Either way, card-size and letter-size pieces may be presented at the same time and reported on the same postage statement.

2.0 Preparation—First-Class and Standard Mail (A)

2.1 Grouping—Carrier Route Pieces

Grouping size, preparation sequence, and labeling: carrier route (only); required (10-piece minimum; fewer not permitted); use an optional endorsement line or carrier route information line. Group pieces by carrier route in full 5-digit carrier routes trays, using separator cards under M020, not packaging.

2.2 Tray Preparation

Tray size, preparation sequence, and labeling:

a. Carrier route: optional, but required for rate eligibility (full trays); no overflow; use 5-digit ZIP Code destination of pieces for Line 1, preceded for military mail by the prefixes under M031.

b. 5-digit carrier routes (carrier route pieces only): optional, but required for rate eligibility (no minimum); overflow allowed; use 5-digit ZIP Code destination of pieces for Line 1, preceded for military mail by the prefixes under M031.

c. 5-digit: optional, but required for rate eligibility (150-piece minimum); overflow allowed; use 5-digit ZIP Code

destination of pieces for Line 1, preceded for military mail by the prefixes under M031.

d. 3-digit/scheme: required (150-piece minimum except no minimum for origin 3-digit(s)); overflow allowed; for Line 1, use L002, Column B.

e. AADC: required (150-piece minimum); overflow allowed; group pieces by 3-digit ZIP Code prefix; use L801 for Line 1.

f. Mixed AADC: required (no minimum); group by AADC; for Line 1, for First-Class Mail, use MXD, followed by the city/state/ZIP of the facility serving the 3-digit ZIP Code of the entry post office, as shown in L002, Column C, or, for Standard Mail, use L802 (mail entered by the mailer at an ASF or BMC) or L803, as appropriate.

2.3 Line 2

Line 2: FCM or STD (as appropriate), LTRS BC, and:

a. Carrier route trays: route type and number.

b. 5-digit carrier routes trays: CR-RTS.

c. For scheme trays: SCHEME.

d. For mixed AADC trays: WKG.

3.0 Preparation—Periodicals

3.1 Tray Preparation

Tray size, preparation sequence, and labeling:

a. 5-digit: required (150-piece minimum); no overflow; use 5-digit ZIP Code destination of pieces for Line 1, preceded for military mail by the prefixes under M031.

b. Unique 3-digit: required for rate eligibility (150 piece minimum); overflow allowed; use L002, Column A, for Line 1.

c. 3-digit/scheme: required (150-piece minimum except no minimum for origin 3-digit(s)); overflow allowed; for Line 1, use L002, Column B.

d. AADC: required (150-piece minimum); no overflow; use L801 for Line 1.

e. Mixed AADC: required (no minimum); group by AADC; for Line 1, use L802 (mail entered by the mailer at an ASF or BMC) or L803, as appropriate.

3.2 Line 2

Line 2: PER or NEWS (as appropriate), LTRS BC, and:

a. For scheme trays: SCHEME.

b. For mixed AADC trays: WKG.

4.0 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing, supported by documentation produced by PAVE-certified (or, except for Periodicals, MAC-certified) software, or

standardized documentation meeting the standards in P012. Documentation of postage is not required if the correct rate is affixed to each piece, or if each piece is of identical weight and the pieces are separated by rate when presented for acceptance. Combined mailings of Periodicals publications must also be documented under M210. Periodicals are not subject to the standard for supporting documentation produced by PAVE-certified software, or standardized documentation meeting the standards in P012, until January 1, 1997.

[Add new M820 as follows:]

M820 Flat-Size Mail (Except Preferred Periodicals and Nonprofit Standard Mail)

1.0 Basic Standards

1.1 Standards

Flat-size automation rate First-Class, Regular Periodicals, and Standard Mail (A) must be prepared under M820, subject to the basic eligibility standards applicable to the rate claimed. Package, sack, and tray preparation are subject to the general standards in M010, M020, and M030. Effective January 1, 1997, trays must be labeled with barcoded tray labels under M032.

1.2 Mailings

All pieces in a mailing must meet the standards in C820 and must be sorted together to the finest extent required. A single automation rate mailing (e.g., automation First-Class) may include pieces prepared at all available rate levels (e.g., 5-Digit, 3-Digit, and Basic); all may be reported on the same postage statement and documentation. Information about the definition of a mailing and permissible combinations is in M011.

1.3 Packages

All pieces must be prepared in packages. When the pieces for a presort destination must be prepared in more than one package or in packages each with fewer pieces than the minimum required (because of size or total number of pieces), rate eligibility is not affected if the total number of pieces for that destination exceeds the applicable minimum. Firm packages may not be included in mailings prepared under M820.

1.4 Marking

First-Class pieces must be marked "AUTO" and either "First-Class" or "Presorted First-Class." Standard Mail must be marked either "Bulk Rate" or "Blk. Rt." and "AUTO." No markings are required on Periodicals pieces.

1.5 Limited Exception—Standard Mail (A)

The following exception is applicable until January 1, 1997; after that time, preparation will be based solely on the standards for the rate claimed and the processing category of the pieces, whether the same standards apply to other pieces claimed at other rates and produced as part of the same mailing job: When a Standard Mail (A) mailing job could, by size, qualify for Regular Standard Mail automation rates as either letters or flats, if part of the job is prepared as palletized flats at automation rates for flats, the remainder may be prepared as palletized flats at Enhanced Carrier Route rates and Regular nonletter nonautomation rates if the number of Regular nonletter nonautomation rate pieces does not exceed 15% of the total number of pieces in the entire mailing job.

2.0 Preparation—First-Class Mail

2.1 Package Preparation

Package size, preparation sequence, and labeling:

- a. 5-digit: required (10-piece minimum, fewer not permitted); use red Label D or optional endorsement line (OEL).
- b. 3-digit: required (10-piece minimum, fewer not permitted); use green Label 3 or OEL.
- c. ADC: required (10-piece minimum, fewer not permitted); use pink Label A or OEL.
- d. Mixed ADC: required (no minimum); use tan Label MS or OEL.

2.2 Tray Preparation

Tray size, preparation sequence, and labeling:

- a. 5-digit: required full trays, no overflow; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- b. 3-digit: required full trays, no overflow, except no minimum for origin 3-digit(s); use L002, Column A, for Line 1.
- c. ADC: required full trays, no overflow; use L004 for Line 1.
- d. Mixed ADC: required (no minimum); use MXD, followed by the city/state/ZIP of the facility serving the 3-digit ZIP Code of the entry post office, as shown in L002, Column C, for Line 1.

2.3 Line 2

- Line 2: FCM FLTS BC, and:
 - a. Mixed ADC sacks: WKG.
 - b. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

3.0 Preparation—Periodicals

3.1 Package Preparation

Package size, preparation sequence, and labeling:

- a. 5-digit: required (six-piece minimum, fewer not permitted); use red Label D or optional endorsement line (OEL).
- b. 3-digit: required (six-piece minimum, fewer not permitted); use green Label 3 or OEL.
- c. ADC: required (six-piece minimum, fewer not permitted); use pink Label A or OEL.
- d. Mixed ADC: required (no minimum); use tan Label MS or OEL.

3.2 Sack Preparation

Sack size, preparation sequence, and labeling:

- a. 5-digit: required at 24 pieces, optional with one six-piece package minimum; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- b. 3-digit: required at 24 pieces, optional with one six-piece package minimum, no minimum for origin 3-digit(s); use L002, Column A, for Line 1.
- c. ADC: required at 24 pieces, optional with one six-piece package minimum; use L004 for Line 1.
- d. Mixed ADC: required (no minimum); for Line 1, use L802 (mail entered by the mailer at an ASF or BMC) or L803, as appropriate.

3.3 Line 2

- Line 2: PER or NEWS (as appropriate), FLTS BC, and:
 - a. Mixed ADC sacks: WKG.
 - b. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

4.0 Preparation—Standard Mail

4.1 Package Preparation

Package size, preparation sequence, and labeling:

- a. 5-digit: required (10-piece minimum, fewer not permitted); use red Label D or optional endorsement line (OEL).
- b. 3-digit: required (10-piece minimum, fewer not permitted); use green Label 3 or OEL.
- c. ADC: required (10-piece minimum, fewer not permitted); use pink Label A or OEL.
- d. Mixed ADC: required (no minimum); use tan Label MS or OEL.

4.2 Required Sacking

A sack must be prepared when the quantity of mail for a required presort destination reaches either 125 pieces or

15 pounds of pieces, whichever occurs first, subject to these conditions:

- a. For identical-weight pieces, a single-piece weight of 1.92 ounces (0.12 pound) results in 125 pieces weighing 15 pounds. Identical-weight pieces weighing 1.92 ounces (0.12 pound) or less must be prepared using the 125-piece minimum; those that weigh more must be prepared using the 15-pound minimum.

- b. For nonidentical-weight pieces, mailers must either use the minimum that applies to the average piece weight for the entire mailing (divide the net weight of the mailing by the number of pieces; the resulting average single-piece weight determines whether the 125-piece or 15-pound minimum applies) or sack by the actual piece count or mail weight for each sack, if documentation can be provided with the mailing that shows (specifically for each sack) the number of pieces and their total weight.

- c. Mailers must note on the accompanying postage statement whether they applied the 125-piece ("PCS") or 15-pound ("WT") threshold or the method in 4.2b ("BOTH").

4.3 Sack Preparation

Sack size, preparation sequence, and labeling:

- a. 5-digit: required (125-piece/15-pound minimum, smaller volume not permitted); use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.
- b. 3-digit: required (125-piece/15-pound minimum, smaller volume not permitted, except no minimum for origin 3-digit(s)); use L002, Column A, for Line 1.
- c. ADC: required (125-piece/15-pound minimum, smaller volume not permitted); use L004 for Line 1.
- d. Mixed ADC: required (no minimum); for Line 1, use L802 (mail entered by the mailer at an ASF or BMC) or L803, as appropriate.

4.4 Line 2

- Line 2: STD FLTS BC and:
 - a. Mixed ADC sacks: WKG.
 - b. As required by the applicable labeling list, Line 2 processing code must be right-justified under the ZIP Code on Line 1.

5.0 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing, supported by documentation produced by PAVE-certified (or, except for Periodicals, MAC-certified) software, or

standardized documentation meeting the standards in P012. Documentation of postage is not required if each piece is of identical weight, or if the correct rate is affixed to each piece or the pieces are separated by rate when presented for acceptance. Combined mailings of Periodicals publications must also be documented under M210. Periodicals are not subject to the standard for supporting documentation produced by PAVE-certified software, or standardized documentation meeting the standards in P012, until January 1, 1997.

[Add new M890, based on current M810 and M820, as follows:]

M890 Preferred Periodicals and Nonprofit Standard Mail

M891 ZIP+4 Presort—Tray-Based Letter-Size Mailings

[Insert text of current M812 and redesignate as M891, revised to apply only to Preferred Periodicals publications and Nonprofit Standard Mail, as follows:]

1.0 Basic Standards

1.1 Standards

Preferred Periodicals and Nonprofit Standard Mail claimed at a ZIP+4 presort rate must be prepared as a tray-based mailing under 1.2 through 1.7, 2.0, 4.0, and 5.0, or as a package-based mailing under M892. Grouping, packaging, labeling, and trayng are subject to M010, M020, and M030.

1.2 Automated Sites

Mailings consisting entirely of pieces for the 3-digit areas listed in L897 ("automated sites") may be prepared under 3.0 rather than 2.0. Pieces for other ZIP Code areas must be prepared in a separate mailing.

1.3 Grouping

Grouping is required for pieces for the same 3-digit ZIP Code prefix in SCF trays and for pieces for the same AADC area in working trays. Grouping by ZIP Code is not required in city or 3-digit trays.

1.4 Packaging

Packaging is required:

a. For mailings consisting entirely of pieces that qualify by size for First-Class card rates, regardless of the actual rate claimed or class of mail. Package labels are required in less-than-full trays.

b. For mail in overflow AADC trays, in mixed AADC trays, and in a less-than-full working tray. Appropriate package labels are required in these trays.

1.5 No Packaging

Packaging may not be used for larger than card-size pieces, except that:

a. Mail in overflow trays must be packaged and labeled correctly as for the corresponding trays (mail in a less-than-full tray for the entry SCF must be sorted and labeled as 3-digit packages).

b. Mail in AADC trays may be packaged, and mail in mixed AADC trays must be packaged into AADC packages.

1.6 Marking

Standard Mail must be marked "Nonprofit Organization" or the authorized abbreviation and may be also marked "ZIP+4" or "5-digit ZIP+4" (as appropriate). No marking is required on Periodicals.

1.7 Carrier Route

ZIP+4 rate mail and carrier route presort (or walk-sequence) rate mail may not be included in the same mailing or reported on the same postage statement.

2.0 Tray Preparation—Qualifying Mail

[In 2.2d, replace "use L002, Column B, for Line 1 for 3-digit areas listed in Column C; L804 for Line 1 for others" with "use L002, Column C, except use L801 for indicated single 3-digit areas"; 2.2b and 2.3, replace "second-class mail" with "Periodicals"; in 3.3a, replace "L801" with "L897"; in 3.2b and 3.3b, replace "L802" with "L898"; no other change to 12.0. Revise succeeding sections as follows:]

3.0 Optional Preparation For Automated Sites—Qualifying Mail

[In 3.3a, replace "L801" with "L897"; in 3.2b and 3.3b, replace "L802" with "L898"; no other change to 3.0.]
[Replace current 4.0 with new 4.0 as follows:]

4.0 Residual Mail

Pieces remaining after packages and trays are prepared under 2.0 or 3.0 are residual (nonqualifying) mail. Residual Periodicals and Standard Mail must be prepared as follows:

a. All pieces must be sorted by AADC area using L801 (or, for automated site mailings, L899).

b. Quantities of 10 or more pieces for an AADC area must be prepared as an AADC package (or, if possible, a full AADC tray). Packaging is not required in full AADC trays. AADC packages of fewer than 10 pieces are not permitted.

c. All AADC packages must be trayed in AADC or mixed AADC trays. Pieces remaining after preparing full AADC trays and AADC packages must be placed in separate working trays.

d. Pieces in less-than-full AADC overflow trays and in all mixed AADC trays must be packaged and labeled as AADC packages using a pink Label A or optional endorsement line. Separator cards are not permitted.

e. Pieces in working trays must be grouped by AADC area. Pieces in a less-than-full working tray must be prepared in working packages up to 6 inches thick making as few packages as possible without regard to AADC breaks. Separator cards are not permitted. Label packages in less-than-full working trays with either a facing slip marked "WORKING" or "WKG" or the optional endorsement line "WORKING."

f. A piece count listing must be provided for all residual pieces that shows by tray level and AADC area (listed by numeric AADC code from L801 or, for automated site mailings, L899) the number of pieces eligible for each rate and the number of pieces with and without a ZIP+4 code.

g. Tray size:

(1) AADC: required full trays; one overflow tray permitted per destination per mailing.

(2) Mixed AADC: required full trays; one less-than-full tray permitted.

(3) Working: required full trays; one less-than-full tray permitted.

h. Residual preparation sequence and Line 1 labeling:

(1) AADC: (required); use L801 or, for automated site mailings, L899.

(2) Mixed AADC: (required); use L802 for mail entered at a BMC/ASF or L803 for mail entered at all other facilities.

(3) Working: (required); use L802 for mail entered at a BMC/ASF or L803 for mail entered at all other facilities.

i. For Line 2: class (PER or NEWS as applicable, or STD), followed by:

(1) For AADC trays: AADC ZIP+4 PRESORT.

(2) For mixed AADC trays: ZIP+4 PRESORT PKGS.

(3) For working trays: ZIP+4 WORKING or ZIP+4 WKG.

[Revise 5.0 as follows:]

5.0 Documentation

5.1 Postage Statement

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing. The endorsement "M891" must be placed at the top and, as appropriate, "Automated Site" (if prepared under 3.0).

* * * * *

5.4 Standards

Documentation must include residual pieces and meet the basic standards in

P012 and those below. Abbreviated documentation may be provided under M896. Combined mailings of Periodicals publications must also be documented under M210.

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5.6 ZIP Code Option

Under the ZIP Code option, individual entries for each type of tray destination must be in ascending numeric order by ZIP Code: by 5-digit ZIP Code for 5-digit trays; by lowest assigned 5-digit ZIP Code for city trays (Periodicals only); by 3-digit ZIP Code prefix for 3-digit and SCF trays; by the 3-digit AADC code (preceded by "AADC") in L801 (or L899 for automated sites) for AADC, mixed AADC, and working trays. Volume in overflow trays must be included in the corresponding ZIP Code entry even though there is a list of overflow trays.

5.7 Tray Label Option

Under the tray label option, individual entries for each tray must be listed sequentially by the unique tray number on each label or by Line 1 on the label. The contents of each overflow tray are reported as an individual entry even though there is a list of overflow trays. Each tray entry must be subdivided as needed to report volume sequentially by ZIP Code in the tray: by 5-digit ZIP Code for 5-digit trays; by lowest assigned 5-digit ZIP Code for city trays (Periodicals only); by 3-digit ZIP Code for 3-digit and SCF trays; by the 3-digit AADC code (preceded by "AADC") in L801 (or L899 for automated sites) for AADC, mixed AADC, and working trays.

5.8 Line Entries

Under either option, each entry must report ZIP+4 coded (including delivery point barcoded) and uncoded pieces by each rate for which specific numbers of pieces are eligible, and a cumulative total for the segment through that entry. As applicable, data on each line must be subdivided further to report separately:

a. In Periodicals mailings, both in-county and outside-county pieces and Level G/J1 and Level H/I3 rates.

b. In Standard Mail, pieces at each destination entry rate.

5.9 Subtotals and Summaries

Each column of data must be subtotaled at the end of each segment of the report, and a summary must list data for the entire mailing, including the residual. The summary must include:

a. The number of pieces with a ZIP+4 code or delivery point barcode, the number without, the total number of pieces in the mailing, and the

percentage with ZIP+4 codes or delivery point barcodes.

b. Each rate (or weight increment, combination of rate and discount, or other variable in 5.8), the number of pieces at each rate, the total postage at each rate, and the total postage for the mailing. (For Periodicals mailings, postage rates and computed totals may be omitted.)

c. A list of overflow trays.

d. For postage-affixed mailings, further detail must be added as needed to account for the value of postage affixed, if less than the applicable amount, and the net due, to yield the correct total postage.

M892 ZIP+4 Presort—Package-Based Letter-Size Mailings

[Insert text of current M813; redesignate as M892, revised to apply only to Barcoded Preferred Periodicals publications and Nonprofit Standard Mail, as follows:]

1.0 Basic Standards

1.1 Standards

Preferred Periodicals and Nonprofit Standard Mail claimed at a ZIP+4 presort rate must be prepared as a package-based mailing under 2.0, 3.0, 5.0, and 6.0, or as a tray-based mailing under M891. Grouping, packaging, labeling, and traying are subject to M010, M020, and M030.

1.2 Automated Sites

Mailings consisting entirely of pieces for the 3-digit areas listed in L897 ("automated sites") may be prepared under 4.0 rather than 3.0. Pieces of Periodicals or Standard Mail for other ZIP Code areas must be prepared in a separate mailing.

* * * * *

1.4 No Packaging

Packages or separator cards are not required for larger than card-size pieces in full 5-digit trays, full AADC trays if the contents are only residual AADC packages, and full working trays under 4.2 and 4.3.

* * * * *

[Add new 1.6 as follows:]

1.6 Marking

Standard Mail must be marked "Nonprofit Organization" or the authorized abbreviation, and may be also marked "ZIP+4" or "5-digit ZIP+4" (as appropriate). No marking is required on Periodicals.

2.0 Package Preparation

[In 2.1b and 2.2b, replace "second-class mail" with "Periodicals"; in 2.2a,

replace "Line" with "line"; no other change to 2.0.]

3.0 Tray Preparation—Qualifying Mail
[In 3.3d, replace "use L002, Column B, for Line 1 for 3-digit areas listed in Column C" with "use L002, Column C"; in 3.2b, 3.3b, and 3.4b, replace "second-class mail" with "Periodicals"; in 3.3e, change the reference from "L804" to "L801"; no other change to 3.0.]

4.0 Optional Preparation For Automated Sites—Qualifying Mail

[In 4.5b, replace the reference "L802" with "L898"; in 4.6a, replace the reference "L801" with "L897"; in 4.6b, replace the reference "L802" with "L898"; in 4.6c, replace the reference "L803" with "L899"; no other change to 4.0.]

5.0 Residual Mail

5.1 Definition

Pieces remaining after packages and trays are prepared under 2.0, 3.0, and 4.0 are residual (nonqualifying) mail. Residual Periodicals and Standard Mail must be prepared under an option in 5.2 and under 5.3. Residual mail from automated site mailings under 4.0 is subject to specific instructions where applicable. All residual mail must be presented under 5.4.

5.2 Options

Residual Periodicals and Standard Mail must be prepared under one of these options and under 5.3.

a. Separate AADC Preparation. Residual mail is trayed separately from qualifying mail. Groups of 10 or more residual pieces to an AADC area in L801 (or L899 or automated site preparation) are placed in AADC trays and mixed AADC trays. AADC trays are required if there are enough pieces to fill a tray, but less-than-full AADC trays are permitted. Residual pieces in mixed AADC trays and in less-than-full AADC trays must be prepared and labeled as AADC packages. Remaining groups of fewer than 10 pieces to an AADC are placed in separate working trays. Packages and trays must be prepared under 5.3.

b. Intermixed SCF/AADC Preparation. Some residual mail is trayed with qualifying mail. Groups of 10 or more residual pieces to the same AADC area in L801 (or L899 for automated site preparation) are packaged by AADC and placed in AADC trays (with qualifying mail) and in mixed AADC trays. AADC trays are required if there are enough pieces to fill a tray, but less-than-full AADC trays are permitted. AADC trays containing only residual AADC packages are permitted. Mixed AADC trays are limited to residual AADC

packages. At the mailer's option, residual mail may be packaged by 3-digit ZIP Code prefix and placed in SCF trays (remaining pieces sorted by AADC). A less-than-full tray for the entry SCF containing only residual packages is permitted. Remaining groups of fewer than 10 pieces to an AADC are placed in separate working trays. Packages and trays must be prepared under 5.3.

5.3 Required Preparation

Subject to 5.1 and 5.2, residual mail must be prepared as follows:

[In 5.3a(2) and 5.3a(3), replace "L804" and "L803" with "L801" and "L899," respectively; in 5.3c(1), replace "Column A, identified with three bullets" with "Column C"; in 5.3c(2), replace "L802" with "L898."]

* * * * *

d. Tray preparation sequence and Line 1 labeling:

(1) Optional 3-digit (only for single 3-digit SCFs under option 5.2b); use L002, Column C. This tray is not available for the residual mail of automated site mailings.

(2) Optional SCF (only for option 5.2b); use L898 for automated site mailings, use L002, Column C, for other mailings.

(3) AADC (required); use L899 for automated site mailings, use L801 for other mailings.

(4) Mixed AADC (required); use L802 for mail entered at a BMC/ASF or L803 for mail entered at all other facilities.

(5) Working (required); use L802 for mail entered at a BMC/ASF or L803 for mail entered at all other facilities.

e. Line 2: class (PER or NEWS as applicable, or STD), followed by:

(1) On 3-digit and SCF trays (option 5.2b only): ZIP+4 PRESORT.

(2) On AADC trays: AADC ZIP+4 PRESORT.

(3) On mixed AADC trays: ZIP+4 PRESORT PKGS.

(4) On working trays: ZIP+4 WORKING or ZIP+4 WKG.

[Remove current 5.4 and 5.5; renumber current 5.6 as 5.4.]

6.0 Documentation

6.1 Postage Statement

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing. The endorsement "M892" must be placed at the top and, as appropriate, "Automated Site" (if prepared under 4.0).

6.2 When Not Required

Documentation under 6.3 through 6.8 is not required if each piece in the

mailing is correctly ZIP+4 coded (or delivery point barcoded) and either has postage affixed at the exact rate for which it qualifies or is of identical weight, the pieces in each tray are subject to the same rate, and the trays for each rate are segregated when presented to the USPS.

6.3 Standards

Documentation must include residual pieces and must meet the basic standards in P012 and those below. Abbreviated documentation may be provided under M896. Combined mailings of Periodicals publications must be documented under M210.

6.4 Segmentation, Labeling

Documentation must be segmented and labeled by qualification tier (e.g., residual). Each tier must be further segmented by type of package/grouping (5-digit, 3-digit, AADC, as applicable) under 6.5, or have all represented 3-digit and 5-digit ZIP Codes (and AADC codes for residual mail under 5.2 and 5.3) reported in a continuous sequential list under 6.6 within each tier listing. Under either option, data must be presented as shown in 6.7 and 6.8.

6.5 Type of Package Option

If the report is segmented by type of package, individual entries for each destination must be in ascending numeric order by ZIP Code: by 5-digit ZIP Code for 5-digit packages; by lowest assigned 5-digit ZIP Code for city packages (Periodicals only); by 3-digit ZIP Code prefix for 3-digit packages; and, for AADC packages and AADC groups (in working trays) under 5.2 and 5.3, by the applicable 3-digit AADC code in L899 (for automated site mailings) or L801 (AADC entries must be preceded by "AADC").

6.6 Sequential List Option

If the report is a sequential list, individual entries for each destination must be listed sequentially by ZIP Code within each tier, regardless of package type: by 5-digit ZIP Code for 5-digit packages; by lowest assigned 5-digit ZIP Code for city packages (Periodicals only); by 3-digit ZIP Code for 3-digit packages; and, for AADC packages and AADC groups (in working trays) under 5.2 and 5.3, by the applicable 3-digit AADC code in L899 (for automated site mailings) or L801. (AADC entries must be preceded by "AADC.") For Periodicals only, listings for 5-digit, city, and 3-digit packages must be preceded by the prefixes "5DG," "CTY," and "3DG," respectively.

6.7 Line Entries

Under either option, each entry must separately report ZIP+4 coded (including delivery point barcoded) and uncoded pieces by each rate for which specific numbers of pieces are eligible; and a cumulative total for the segment through that entry. As applicable, data on each line must be subdivided further to report separately:

a. In Periodicals mailings, both in-county and outside-county pieces, and Level G/J1 and Level H/J3 rates.

b. In Standard Mail, pieces at each destination entry rate.

6.8 Subtotals and Summaries

Each column of data must be subtotaled at the end of each segment of the report, and a summary must list data for the entire mailing, including the residual. The summary must include:

a. The number of pieces with a ZIP+4 code or DPBC, the number without, the total number of pieces in the mailing, and the percentage with ZIP+4 codes or DPBC.

b. Each rate (or weight increment, combination of rate and discount, or other variable in 6.7), the number of pieces at each rate, the total postage at each rate, and the total postage for the mailing. (For Periodicals mailings, postage rates and computed totals may be omitted.)

c. For postage-affixed mailings, further detail must be added as needed to account for the value of postage affixed, if less than the applicable amount, and the net due, to yield the correct total postage.

M893 Barcoded—Tray-Based Letter-Size Mailings

[Insert text of current M814 and redesignate as M893, revised to apply only to Barcoded Preferred Periodicals publications and Nonprofit Standard Mail, as follows:]

[Insert new 1.0 as follows:]

1.0 Basic Standards

1.1 Standards

Preferred Periodicals and Nonprofit Standard Mail claimed at a Barcoded rate must be prepared as a tray-based mailing under 1.2 through 1.7 and 2.0 through 4.0, or as a package-based mailing under M894 or M895. Grouping, packaging, labeling, and traying are subject to M010, M020, and M030.

1.2 Grouping

Grouping is required for pieces for the same 3-digit ZIP Code prefix in SCF trays, and for pieces for the same AADC area in working trays under 3.0.

Grouping by ZIP Code is not required in city or 3-digit trays.

1.3 Packaging

Packaging is required for mailings consisting entirely of card-size pieces and for mail in overflow AADC trays, in mixed AADC trays, and in a less-than-full working tray. Appropriate package labels are required.

1.4 No Packaging

Packaging may not be used for larger than card-size pieces, except that:

a. Mail in overflow trays must be packaged to maintain orientation.
b. Mail in a less-than-full tray for the entry SCF must be sorted and labeled as 3-digit packages.

c. Mail in AADC trays may be packaged and mail in mixed AADC trays must be packaged into AADC packages.

d. Mail in a less-than-full working tray under 3.0 must be packaged.

1.5 5-Digit Trays

Only pieces with correct DPBCs may be sorted to 5-digit trays. Other pieces for the same ZIP Code must be sorted to successive trays as appropriate. Preparation of 5-digit trays is required only for mail claimed at the 5-digit Barcoded rate.

1.6 Marking

Standard Mail must be marked "Nonprofit Organization" or the authorized abbreviation and may be also marked "Barcoded." No marking is required on Periodicals.

1.7 Carrier Route

Barcoded rate mail and carrier route (or walk-sequence) rate mail may not be included in the same mailing or reported on the same postage statement.

2.0 Tray Preparation

[In 2.2d, replace "use L002, Column B, for Line 1 for 3-digit areas listed in Column C; L804 for Line 1 for others" with "use L002, Column C, except use L801 for indicated single 3-digit areas"; 2.2b and 2.3, replace "second-class mail" with "Periodicals"; no other change to 2.0.]

[Insert new 3.0, based on current 3.0, as follows:]

3.0 Residual Mail

Pieces remaining after packages and trays are prepared under 2.0 are residual (nonqualifying) mail. Residual Periodicals and Standard Mail must be prepared as follows:

a. All pieces must be sorted by AADC area using L801.

b. Quantities of 10 or more pieces for an AADC area must be prepared as an

AADC package (or, if possible, a full AADC tray). Packaging is not required in full AADC trays. AADC packages of fewer than 10 pieces are not permitted.

c. All AADC packages must be trayed in AADC or mixed AADC trays. Pieces remaining after preparing full AADC trays and AADC packages must be placed in separate working trays.

d. Pieces in less-than-full AADC overflow trays and in all mixed AADC trays must be packaged and labeled as AADC packages using a pink Label A or optional endorsement line (OEL). Separator cards are not permitted.

e. Pieces in working trays must be grouped by AADC area. Pieces in a less-than-full working tray must be prepared in working packages up to 6 inches thick making as few packages as possible without regard to AADC breaks. Separator cards are not permitted. Label packages in less-than-full working trays with either a facing slip marked "WORKING" or "WKG" or the OEL "WORKING."

f. A piece count listing must be provided for all residual pieces that shows by tray level and AADC area (listed by numeric AADC code from L801) the number of pieces eligible for each rate and the number of pieces with a DPBC, the number of pieces without a DPBC that qualify for ZIP+4 rates, and the number of other pieces.

g. Tray size:

(1) AADC: required full trays; one overflow tray permitted per destination per mailing.

(2) Mixed AADC: required full trays; one less-than-full tray permitted.

(3) Working: required full trays; one less-than-full tray permitted.

h. Residual preparation sequence and Line 1 labeling:

(1) AADC: (required); use L801.

(2) Mixed AADC: (required); use L802 for mail entered at a BMC/ASF or L803 for mail entered at all other facilities.

(3) Working: (required); use L802 for mail entered at a BMC/ASF or L803 for mail entered at all other facilities.

i. For Line 2: class (PER or NEWS as applicable, or STD), followed by:

(1) For AADC trays: LTRS AADC BARCODED.

(2) For mixed AADC trays: LTRS BARCODED PKGS.

(3) For working trays: LTRS BARCODED WKG.

[Revise 4.0 as follows:]

4.0 Documentation

4.1 Postage Statement

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing. The endorsement "M893"

must be placed at the top, based on the documentation method used, and "ZIP Code Option" or "Tray Label Option."

* * * * *

4.4 Standards

Documentation must include residual pieces and meet the basic standards in P012 and those below. Abbreviated documentation may be provided under M896. Combined mailings of Periodicals publications must also be documented under M210.

* * * * *

4.6 ZIP Code Option

Under the ZIP Code option, individual entries for each type of tray destination must be in ascending numeric order by ZIP Code: by 5-digit ZIP Code for 5-digit trays; by lowest assigned 5-digit ZIP Code for city trays (Periodicals only); by 3-digit ZIP Code prefix for 3-digit and SCF trays; by the 3-digit AADC code (preceded by "AADC") in L801 for AADC, mixed AADC, and working trays. Volume in overflow trays must be included in the corresponding entry even though there is a list of overflow trays.

4.7 Tray Label Option

Under the tray label option, individual entries for each tray must be listed sequentially by the unique tray number on each label or by Line 1 on the label. The contents of each overflow tray are reported as an individual entry even though there is a list of overflow trays. Each tray entry must be subdivided as needed to report volume sequentially by ZIP Code in the tray: by 5-digit ZIP Code for 5-digit trays; by lowest assigned 5-digit ZIP Code for city trays (Periodicals only); by 3-digit ZIP Code for 3-digit and SCF trays; by the 3-digit AADC code (preceded by "AADC") in L801 for AADC, mixed AADC, and working trays.

4.8 Line Entries

Under either option, each entry must separately report DPBC mail, correctly ZIP+4 coded non-DPBC mail (meeting the standards in C830), and other pieces by each rate for which specific numbers of pieces are eligible, and a cumulative total for the segment through that entry. As applicable, data on each line must be subdivided further to report separately:

a. In Periodicals mailings, both in-county and outside-county pieces and Level G/J1 and Level H/J3 rates.

b. In Standard Mail, pieces at each destination entry rate.

4.9 Subtotals and Summaries

Each column of data must be subtotaled at the end of each segment of

the report, and a summary must list data for the entire mailing, including the residual. The summary must include:

a. The number of pieces with a DPBC, the number without, the total number of pieces in the mailing, and the percentage with DPBCs.

b. Each rate (or weight increment, combination of rate and discount, or other variable in 4.8), the number of pieces at each rate, the total postage at each rate, and the total postage for the mailing. (For Periodicals mailings, postage rates and computed totals may be omitted.)

c. A list of overflow trays.

d. For postage-affixed mailings, further detail must be added as needed to account for the value of postage affixed, if less than the applicable amount and the net due, to yield the correct total postage.

M894 Barcoded—Two-Tier Package-Based Letter-Size Mailings

[Insert text of current M815 and redesignate as M894, revised to apply only to Barcoded Preferred Periodicals publications and Nonprofit Standard Mail, as follows:]

1.0 Basic Standards

1.1 Standards

Preferred Periodicals and Nonprofit Standard Mail claimed at a Barcoded rate must be prepared as a tray-based mailing under M893, as a two-tier package-based mailing under 1.2 through 1.6 and 2.0 through 5.0, or as a three-tier package-based mailing under M895. Grouping, packaging, labeling, and traying are subject to M010, M020, and M030.

* * * * *

1.3 No Packaging

Packages or separator cards are not required for larger than card-size pieces in full 5-digit trays, full AADC trays if the contents are only residual AADC packages, and full working trays under 4.2 and 4.3.

[Replace current 1.4 with the following:]

1.4 Marking

Standard Mail must be marked "Nonprofit Organization" or the authorized abbreviation and may be also marked "Barcoded." No marking is required on Periodicals.

* * * * *

[Remove current 1.7.]

2.0 Package Preparation

[In 2.1b and 2.2b, replace "second-class" with "Periodicals"; remove the parenthetical in 2.1c and 2.2c; no other change to 2.0.]

3.0 Tray Preparation—Qualifying Mail

[In 3.3d, replace "use L002, Column B, for Line 1 for 3-digit areas listed in Column C" with "use L002, Column C"; in 3.2b, 3.3b, and 3.4b, replace "second-class" with "Periodicals"; in 3.3e, replace the reference "L804" with "L801"; no other change to 3.0.]

[Revise 4.0 as follows:]

4.0 Residual Mail

4.1 Definition

Pieces remaining after packages and trays are prepared under 2.0 and 3.0 are residual (nonqualifying) mail. Residual Periodicals and Standard Mail must be prepared under an option in 4.2 and under 4.3. All residual mail must be presented under 4.4.

4.2 Options

Residual Periodicals and Standard Mail must be prepared under one of these options and under 4.3.

a. Separate AADC Preparation. Residual mail is trayed separately from qualifying mail. Groups of 10 or more residual pieces to an AADC area in L801 are placed in AADC trays and mixed AADC trays. AADC trays are required if there are enough pieces to fill a tray, but less-than-full AADC trays are permitted. Residual pieces in mixed AADC trays and in less-than-full AADC trays must be prepared and labeled as AADC packages. Remaining groups of fewer than 10 pieces to an AADC are placed in separate working trays. Packages and trays must be prepared under 4.3.

b. Intermixed SCF/AADC Preparation. Some residual mail is trayed with qualifying mail. Groups of 10 or more residual pieces to the same AADC area in L801 are packaged by AADC and placed in AADC trays (with qualifying mail) and in mixed AADC trays. AADC trays are required if there are enough pieces to fill a tray, but less-than-full AADC trays are permitted. AADC trays containing only residual AADC packages are permitted. Mixed AADC trays are limited to residual AADC packages. At the mailer's option, residual mail may be packaged by 3-digit ZIP Code prefix placed in SCF trays (remaining pieces sorted by AADC). A less-than-full tray for the entry SCF containing only residual packages is permitted. Remaining groups of fewer than 10 pieces to an AADC are placed in separate working trays. Packages and trays must be prepared under 4.3.

4.3 Required Preparation

Subject to 4.1 and 4.2, residual mail must be prepared as follows:

[In 4.3a(2) and 4.3a(3), replace "L804" with "L801."]

* * * * *

c. Tray size:

(1) Optional 3-digit (only for single 3-digit SCFs in L002, Column C, and prepared under option 4.2b): required full trays; less-than-full and overflow trays prohibited, except for one less-than-full tray for the single 3-digit origin SCF.

* * * * *

d. Tray preparation sequence and Line 1 labeling:

(1) Optional 3-digit (only for single 3-digit SCFs under option 4.2b); use L002, Column C.

(2) Optional SCF (only for option 4.2b); use L002, Column C.

(3) AADC (required); use L801.

(4) Mixed AADC (required); use L802 for mail entered at a BMC/ASF or L803 for mail entered at all other facilities.

(5) Working (required); use L802 for mail entered at a BMC/ASF or L803 for mail entered at all other facilities.

e. Line 2: class (PER or NEWS as applicable, or STD), followed by:

(1) In 3-digit and SCF trays (option 4.2b only): ZIP+4 PRESORT.

(2) In AADC trays: AADC ZIP+4 PRESORT.

(3) In mixed AADC trays: ZIP+4 PRESORT PKGS.

(4) In working trays: ZIP+4 WORKING or ZIP+4 WKG.

[Remove current 4.4 and 4.5; renumber current 4.6 as 4.4.]

[Revise 5.0 as follows:]

5.0 Documentation

5.1 Postage Statement

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing. The endorsement "M894— must be placed at the top.

5.2 Standards

Documentation must include residual pieces and must meet the basic standards in P012 and those below. Abbreviated documentation may be provided under M896. Combined mailings of Periodicals publications must be documented under M210.

5.3 When Not Required

Documentation under 5.4 through 5.8 is not required if each piece in the mailing is correctly delivery point barcoded and either has postage affixed at the exact rate for which it qualifies or is of identical weight, the pieces in each tray are subject to the same rate, and the trays for each rate are segregated when presented to the USPS.

5.4 Segmentation, Labeling

Documentation must be segmented and labeled by qualification tier (e.g., residual). Each tier must be further segmented by type of package/grouping (5-digit, 3-digit, AADC, as applicable) under 5.5, or have all represented 3- and 5-digit ZIP Codes (and AADC codes for residual mail under 4.2 and 4.3) reported in a continuous sequential list under 5.6 within each tier listing. Under either option, data must be presented as shown in 5.7 and 5.8.

5.5 Type of Package Option

If the report is segmented by type of package, individual entries for each destination must be in ascending numeric order by ZIP Code: by 5-digit ZIP Code for 5-digit packages; by lowest assigned 5-digit ZIP Code for city packages (Periodicals only); by 3-digit ZIP Code for 3-digit packages; and, for AADC packages and AADC groups (in working trays) under 4.2 and 4.3, by the applicable 3-digit AADC code in L801 (AADC entries must be preceded by "AADC").

5.6 Sequential List Option

If the report is a sequential list, individual entries for each destination must be listed sequentially by ZIP Code within each tier, regardless of package type: by 5-digit ZIP Code for 5-digit packages; by lowest assigned 5-digit ZIP Code for city packages (Periodicals only); by 3-digit ZIP Code prefix for 3-digit packages; and, for AADC packages and AADC groups (in working trays) under 4.2 and 4.3, by the applicable 3-digit AADC code in L801. AADC entries must be preceded by the prefix "AADC.— For Periodicals only, listings for 5-digit, city, and 3-digit packages must be preceded by the prefixes "5DG," "CTY," and "3DG," respectively.

5.7 Line Entries

Under either option, each entry must separately report DPBC pieces, correctly ZIP+4 coded non-DPBC pieces (meeting the standards in C830), and other pieces, by each rate for which specific numbers of pieces are eligible; and a cumulative total for the segment through that entry. As applicable, data on each line must be subdivided further to report separately:

a. In Periodicals mailings, both in-county and outside-county pieces and Level G/J1 and Level H/J3 rates.

b. In Standard Mail, pieces at each destination entry rate.

5.8 Subtotals and Summaries

Each column of data must be subtotaled at the end of each segment of

the report, and a summary must list data for the entire mailing, including the residual. The summary must include:

a. The number of pieces with a DPBC, the number without, the total number of pieces in the mailing, and the percentage with DPBCs.

b. Each rate (or weight increment, combination of rate and discount, or other variable in 5.7), the number of pieces at each rate, the total postage at each rate, and the total postage for the mailing. (For Periodicals mailings, postage rates and computed totals may be omitted.)

c. For postage-affixed mailings, further detail must be added as needed to account for the value of postage affixed, if less than the applicable amount, and the net due, to yield the correct total postage.

M895 Barcoded—Three-Tier Package-Based Letter-Size Mailings

[Insert text of current M816 and redesignate as M895, revised to apply only to Barcoded Preferred Periodicals publications and Nonprofit Standard Mail.]

1.0 Basic Standards

1.1 Standards

Preferred Periodicals and Nonprofit Standard Mail claimed at a Barcoded rate must be prepared as a tray-based mailing under M893, as a two-tier package-based mailing under M894, or as a three-tier package-based mailing under 1.2 through 1.6 and 2.0 through 7.0. Grouping, packaging, labeling, and trayng are subject to M010, M020, and M030.

* * * * *

1.3 No Packaging

Packages or separator cards are not required for larger than card-size pieces in full 5-digit trays in the 5-digit tier; or in the 3-digit tier in full city, full 3-digit, full SCF, and full AADC trays containing only residual AADC packages; or in full working trays under 6.2 and 6.3.

* * * * *

1.5 Marking

Standard Mail must be marked "Nonprofit Organization" or the authorized abbreviation, and may be also marked "Barcoded." No marking is required on Periodicals.

* * * * *

[Remove 1.7.]

[In 3.3c and 5.3c, replace "use L002, Column B, for Line 1 for 3-digit areas listed in Column C" with "use L002, Column C"; in 3.3d, replace "L804" with "L801"; in 4.1a, 4.2a, 5.2a, 5.3a,

and 5.4b, replace "second-class mail" with "Periodicals"; in 4.1b and 4.2b, remove the parenthetical "optional for..."; in 5.3d, 6.3a(2), 6.3a(3), and 6.3b(2), replace the reference "L804" with "L801"; no other change to 2.0 through 5.0.]

6.0 Residual Mail

6.1 Definition

Pieces remaining after packages and trays are prepared under 2.0 through 5.0 are residual (nonqualifying) mail. Residual Periodicals and Standard Mail must be prepared under an option in 6.2 and under 6.3. All residual mail must be presented under 6.4.

6.2 Options

Residual Periodicals and Standard Mail must be prepared under one of these options and under 6.3.

a. Separate AADC Preparation. Residual mail is trayed separately from qualifying mail. Groups of 10 or more residual pieces to an AADC area in L801 are placed in AADC trays and mixed AADC trays. AADC trays are required if there are enough pieces to fill a tray, but less-than-full AADC trays are permitted. Residual pieces in mixed AADC trays and in less-than-full AADC trays must be prepared and labeled as AADC packages. Remaining groups of fewer than 10 pieces to an AADC are placed in separate working trays. Packages and trays must be prepared under 6.3.

b. Intermixed SCF/AADC Preparation. Some residual mail is trayed with qualifying mail. Groups of 10 or more residual pieces to the same AADC area in L801 are packaged by AADC and placed in AADC trays (with qualifying mail) and in mixed AADC trays. AADC trays are required if there are enough pieces to fill a tray, but less-than-full AADC trays are permitted. AADC trays containing only residual AADC packages are permitted. Mixed AADC trays are limited to residual AADC packages. At the mailer's option, residual mail may be packaged by 3-digit ZIP Code prefix and placed in SCF trays (remaining pieces sorted by AADC). A less-than-full tray for the entry SCF containing only residual packages is permitted. Remaining groups of fewer than 10 pieces to an AADC are placed in separate working trays. Packages and trays must be prepared under 6.3.

6.3 Required Preparation

Subject to 6.1 and 6.2, residual mail must be prepared as follows: [In 6.3a(2) and 6.3a(3), replace "L804" with "L801."]

* * * * *

c. Tray size:

(1) Optional 3-digit (only for single 3-digit SCFs in L002, Column C, and prepared under option 6.2b): required full trays; less-than-full and overflow trays prohibited, except for one less-than-full tray for the single 3-digit origin SCF.

* * * * *

d. Tray presort sequence and Line 1 labeling:

(1) Optional 3-digit (only for single 3-digit SCFs under option 6.2b); use L002, Column C.

(2) Optional SCF (only for option 6.2b); use L002, Column C.

(3) AADC (required); use L801.

(4) Mixed AADC (required); use L802 for mail entered at a BMC/ASF or L803 or mail entered at all other facilities.

(5) Working (required); use L802 for mail entered at a BMC/ASF or L803 for mail entered at all other facilities.

e. Line 2: class (PER or NEWS, as applicable, or STD), followed by:

(1) In 3-digit and SCF trays (option 6.2b only): ZIP+4 PRESORT.

(2) In AADC trays: AADC ZIP+4 PRESORT.

(3) In mixed AADC trays: ZIP+4 PRESORT PKGS.

(4) In working trays: ZIP+4 WORKING or ZIP+4 WKG.

[Remove current 6.4 and 6.5; renumber current 6.6 as 6.4, no change in text.]

7.0 Documentation

7.1 Postage Statement

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing. The endorsement "M895" must be placed at the top.

7.2 Standards

Documentation must include residual pieces and must meet the basic standards in P012 and those below. Abbreviated documentation may be provided under M896. Combined mailings of Periodicals publications must be documented under M210.

7.3 When Not Required

Documentation under 7.4 through 7.8 is not required if each piece in the mailing is correctly delivery point barcoded and either has postage affixed at the exact rate for which it qualifies; or is of identical weight, the pieces in each tray are subject to the same rate, and the trays for each rate are segregated when presented to the USPS.

7.4 Segmentation, Labeling

Documentation must be segmented and labeled by qualification tier (e.g., residual). Each tier must be further

segmented by type of package/grouping (5-digit, 3-digit, AADC, as applicable) under 7.5, or have all represented 3- and 5-digit ZIP Codes (and AADC codes for residual mail under 6.2 and 6.3) reported in a continuous sequential list under 7.6 within each tier listing. Under either option, data must be presented as shown in 7.7 and 7.8.

7.5 Type of Package Option

If the report is segmented by type of package, individual entries for each destination must be in ascending numeric order by ZIP Code: by 5-digit ZIP Code for 5-digit packages; by lowest assigned 5-digit ZIP Code for city packages (Periodicals only); by 3-digit ZIP Code prefix for 3-digit packages; and, for AADC packages and AADC groups (in working trays), by the applicable 3-digit AADC code in L801 (AADC entries must be preceded by "AADC").

7.6 Sequential List Option

If the report is a sequential list, individual entries for each destination must be listed sequentially by ZIP Code within each tier, regardless of package type: by 5-digit ZIP Code for 5-digit packages; by lowest assigned 5-digit ZIP Code for city packages (Periodicals only); by 3-digit ZIP Code prefix for 3-digit packages; and, for AADC packages and AADC groups (in working trays) under 6.2 and 6.3, by the applicable 3-digit AADC code in L801. AADC entries must be preceded by the prefix "AADC." For Periodicals only, listings for 5-digit, city, and 3-digit packages must be preceded by the prefixes "5DG," "CTY," and "3DG," respectively.

7.7 Line Entries

Under either option, each entry must separately report DPBC pieces, correctly ZIP+4 coded non-DPBC pieces (meeting the standards in C830), and other pieces, by each rate for which specific numbers of pieces are eligible; and a cumulative total for the segment through that entry. As applicable, data on each line must be subdivided further to report separately:

a. In Periodicals mailings, both in-county and outside-county pieces and Level G/J1 and Level H/J3 rates.

b. In Standard Mail, pieces at each destination entry rate.

7.8 Subtotals and Summaries

Each column of data must be subtotaled at the end of each segment of the report, and a summary must list data for the entire mailing, including the residual. The summary must include:

a. The number of pieces with a DPBC, the number without, the total number of pieces in the mailing, and the percentage with DPBCs.

b. Each rate (or weight increment, combination of rate and discount, or other variable in 7.7), the number of pieces at each rate, the total postage at each rate, and the total postage for the mailing. (For Periodicals mailings, postage rates and computed totals may be omitted.)

c. For postage-affixed mailings, further detail must be added as needed to account for the value of postage affixed, if less than the applicable amount, and the net due, to yield the correct total postage.

M896 Elective Documentation—Letter-Size Mailings

[Insert text of current M817 and redesignate as M896; in 1.1, 2.2, 2.4, 3.1a, and 4.8, replace "M812 through M816" with "M891 through M895"; in 1.2, 4.7b, and 4.7d, replace the references "M817," "M815," and "M812 or M814" with "M896," "M894," and "M891 or M893," respectively; no other change in text.]

[Remove current M818 and M819.]

M897 ZIP+4 Barcoded—Flat-Size Mail

[Insert text of current M823 and redesignate as M897, revised to apply only to Barcoded Preferred Periodicals publications and Nonprofit Standard Mail.]

1.0 Basic Standards

1.1 Standards

Flat-size Preferred Periodicals and Nonprofit Standard Mail claimed at a ZIP+4 Barcoded rate must be prepared as described below. Packaging, labeling, and sacking are subject to M010, M020, and M030.

* * * * *

1.4 Marking

Standard Mail must be marked "Nonprofit Organization" or the authorized abbreviation, and may be also marked "Barcoded." No marking is required on Periodicals.

[In 1.5, replace the reference "M825" with "M898."]

* * * * *

[Revise 2.0 as follows:]

2.0 Package Preparation—Mailings Subject to 85% Rule

2.1 Package Preparation—Periodicals

Package size, preparation sequence, and labeling for Periodicals:

a. 5-digit: required at six pieces; smaller packages permitted but not

eligible for Level H rates; use red Label D or optional endorsement line (OEL).

b. City: optional at six pieces; smaller packages permitted but not eligible for Level H rates; use yellow Label C or OEL.

c. 3-digit: required at six pieces; smaller packages permitted but not eligible for Level H rates; use green Label 3 or OEL.

d. SCF: required at six pieces; smaller packages permitted; use green Label 3 or OEL.

2.2 Package Preparation—Standard Mail

Package size, preparation sequence, and labeling for Standard Mail:

a. 5-digit: required at 10 pieces; smaller packages prohibited; use red Label D or optional endorsement line (OEL).

b. 3-digit: required at 10 pieces; smaller packages prohibited; use green Label 3 or OEL.

c. SCF: required at 10 pieces; smaller packages prohibited; use green Label 3 or OEL.

[Revise 3.0 as follows:]

3.0 Package Preparation—Mailings Not Subject to 85% Rule

3.1 Package Preparation—Periodicals

Package size, preparation sequence, and labeling for Periodicals:

a. 5-digit (*ZIP+4 or DPBC pieces only; see 1.3*): required at six pieces; smaller packages prohibited; use red Label D or optional endorsement line (OEL).

b. 5-digit (*nonbarcoded pieces only; see 1.3*): required at six pieces; smaller packages prohibited; use red Label D or OEL.

c. City: optional at six pieces; smaller packages permitted but not eligible for Level H rates; use yellow Label C or OEL.

d. 3-digit: required at six pieces; smaller packages permitted but not eligible for Level H rates; use green Label 3 or OEL.

e. SCF: required at six pieces; smaller packages permitted; use green Label 3 or OEL.

3.2 Package Preparation—Standard Mail

Package size, preparation sequence, and labeling for Standard Mail:

a. 5-digit (*ZIP+4 or DPBC pieces only; see 1.3*): required at 10 pieces; smaller packages prohibited; use red Label D or optional endorsement line (OEL).

b. 5-digit (*nonbarcoded pieces only; see 1.3*): required at 10 pieces; smaller packages prohibited; use red Label D or OEL.

c. 3-digit: required at 10 pieces; smaller packages prohibited; use green Label 3 or OEL.

d. SCF: required at 10 pieces; smaller packages prohibited; use green Label 3 or OEL.

[Revise 4.0 as follows:]

4.0 Sack Preparation—Qualifying Mail

4.1 Sack Preparation—Periodicals

Sack size, preparation sequence, and labeling for Periodicals:

a. 5-digit: required with four packages; smaller volume permitted; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. City: optional with four packages; smaller volume permitted; use lowest ZIP Code for destination from L001 for Line 1.

c. 3-digit: required with four packages; smaller volume permitted; use L002, Column A, for Line 1.

d. SCF: required with four packages; smaller volume permitted; use L002, Column C, for Line 1.

e. ADC: required with no minimum; use L004 for Line 1.

4.2 Required Sacking—Standard Mail

For Standard Mail, a sack must be prepared when the quantity of mail for a required presort destination reaches either 125 pieces or 15 pounds of pieces, whichever occurs first, subject to these conditions:

a. For identical-weight pieces, a single-piece weight of 1.92 ounces (0.12 pound) results in 125 pieces weighing 15 pounds. Identical-weight pieces weighing 1.92 ounces (0.12 pound) or less must be prepared using the 125-piece minimum, those that weigh more must be prepared using the 15-pound minimum.

b. For nonidentical-weight pieces, mailers must either use the minimum that applies to the average piece weight for the entire mailing (divide the net weight of the mailing by the number of pieces; the resulting average single-piece weight determines whether the 125-piece or 15-pound minimum applies) or sack by the actual piece count or mail weight for each sack, if documentation can be provided with the mailing that shows (specifically for each sack) the number of pieces and their total weight.

c. Mailers must note on the accompanying postage statement whether they applied the 125-piece ("PCS") or 15-pound ("WT") threshold or the method in 4.2b ("BOTH").

4.3 Sack Preparation—Standard Mail

Sack size, preparation sequence, and labeling for Standard Mail, subject to 4.2:

a. 5-digit: required at 125 pieces/15 pounds; smaller volume prohibited; use 5-digit ZIP Code destination of packages for Line 1, preceded for military mail by the prefixes under M031.

b. 3-digit: required at 125 pieces/15 pounds; smaller volume prohibited; use L002, Column A, for Line 1.

c. SCF: required at 125 pieces/15 pounds; smaller volume prohibited; use L002, Column C, for Line 1.

d. ADC: required with no minimum; use L004 for Line 1.

4.4 Line 2

Line 2: class of mail and FLTS BARCODED (and, on city sacks, CITY right-justified under the ZIP Code for Line 1).

5.0 Residual Mail

* * * * *

5.4 Sack Labeling

Labeling of residual sacks:

a. Line 1: "MXD," followed by the applicable origin SCF name, state, and ZIP Code from L802 for mail entered at a BMC/ASF or L803 for mail entered at all other facilities.

* * * * *

6.0 Documentation

[In 6.2, replace the reference "M825" and "E230" with "M898" and "E239," respectively; in 6.9b, replace "second-class" with "Periodicals"; revise other text as follows:]

* * * * *

6.7 Line Entries

Under either option, the mailer must identify 5-digit, city, 3-digit, SCF, and residual packages with the prefixes "5DG," "3DG," "SCF," and "WKG," respectively. Each entry must separately report ZIP+4 or DPBC pieces, and 5-digit barcoded or nonbarcoded pieces, by each rate for which specific numbers of pieces are eligible; and a cumulative total for the segment through that entry. As applicable, data on each line must be subdivided further to report separately in Periodicals mailings both in-county and outside-county pieces and Level G/J1 and Level H/J3 rates.

6.8 Actual Piece Count

In Standard Mail for which the mailer used the actual piece count and weight of the mail to prepare sacks ("BOTH"), a separate listing must identify for each sack the total number of pieces it contains and their combined weight.

* * * * *

M898 Elective Documentation—Flat-Size Mailings

[Insert text of current M825 and redesignate as M898; in 1.1, 2.2, 2.3, 3.1a, 3.4, and 4.5, replace the reference "M823" with "M897"; in 1.2, replace the reference "M825" with "M898."]
[Remove current M827.]

P Postage and Payment Methods**P000 Basic Information****P010 General Standards****P011 Payment**

[In 1.1e, replace the reference "(see E320)" with "(see E621)"; in 1.5 and 2.3, replace "third-class [mail]" with "Standard Mail (A)"; in 2.3, replace "fourth-class" with "Standard Mail (B)"; in 4.2 and 5.1, change the reference from "E370" to "E670"; in 5.0 (heading) and 5.1, replace "[S]pecial [bulk] [T]hird-[C]lass" with "Nonprofit Standard Mail"; no other change in text.]

P012 Documentation**1.0 Purpose and Basic Standards****1.1 General**

[Add to the end of the section:]

Documentation must be submitted when specified by the standards for the rate claimed or postage payment method used.

* * * * *

[In 1.5, replace the reference "G010" with "G020."]

[Renumber current 2.0 and 3.0 as 3.0 and 4.0 and insert new 2.0 as follows:]

2.0 Standardized Documentation—First-Class Mail, Regular Periodicals, and Regular Standard Mail**2.1 Basic Standard**

For First-Class Mail, Regular Periodicals, and Regular Standard Mail, subject to the standards for the rate claimed, documentation must be produced by software certified under the USPS Presort Accuracy Validation and Evaluation (PAVE) or Manifest Analysis and Certification (MAC) programs, appropriate for the accompanying class of mail and rate claimed, or must be prepared to meet the criteria for standardized documentation in this section. Standardized documentation contains the elements described in 2.2 through 2.6, as applicable. Documentation produced by PAVE- or MAC-certified software is considered standardized documentation for purposes of these standards.

2.2 Format and Content

For First-Class Mail, Regular Periodicals, and Regular Standard Mail, standardized documentation includes:

a. A heading identifying the listing as a "USPS Qualification Report" must appear at the top of each page. The heading must contain the name of the mailer and the mailing, a mailing identification code corresponding to the postage statement, the date, the class of mail, and either the DMM standard under which the mail was prepared (e.g., M800) or type of rates claimed.

b. Sequential page numbers in the body of the listing.

c. For mail in trays or sacks, the body of the listing reporting these required elements:

(1) Tray/sack sortation level.

(2) Tray/sack destination ZIP Code (use destination on top line of tray/sack label).

(3) Group destination for automation letter mail (number of pieces for each carrier route in carrier routes trays, for each 3-digit ZIP Code prefix in 3-digit scheme and AADC trays, and for each AADC in mixed AADC trays), or package level and package destination for automation flats and regular nonautomation presort mail (use the presort destination as described in M020).

(4) Number of pieces claimed at each rate.

(5) A running total of pieces mailed that is continuous for each mailing.

(6) The tray identification number and tray size (1-foot or 2-foot) if available for letter mail in trays.

(7) Separate columns for each rate reported in the mailing, with pieces reported in the appropriate column (group information either in ZIP Code order and by level of sortation or by sortation level and within each sortation level, by ZIP Code).

d. For packages on pallets, the body of the listing reporting these required elements:

(1) Pallet sortation level.

(2) Pallet destination ZIP Code (use destination on top line of pallet label).

(3) For each package, the sortation level and number of pieces claimed at each rate.

(4) Separate columns for each rate reported in the mailing, with pieces reported in the appropriate column, and a running total of pieces mailed that is continuous for each mailing (group information either in ZIP Code order and by level of sortation or by sortation level and within each sortation level, by ZIP Code; report trays and sacks on pallets by pallet level and destination; include all information required in 2.2c for mail in trays or sacks).

(5) At the end of the listing, a summary report of the total number of pieces claimed at each postage rate on the pallet by postage payment method, and the total number of pieces and the total weight of the mail on the pallet.

e. At the end of the documentation, a summary report of the total number of pieces mailed at each postage rate for each mailing reported on the listing by postage payment method (and by entry point for drop shipment mailings) and the total number of pieces in each mailing. This information must correspond to the information reported on the postage statement(s) for the pieces reported. Additional data must be provided if necessary to calculate the amount of postage for the mailing (or additional postage due, or postage to be refunded) if nonidentical-weight pieces that do not bear the correct postage at the rate for which they qualify are included in the mailing, or if different rates of postage are affixed to pieces in the mailing.

2.3 Rate Level Column Headings

The actual name of the rate level (or corresponding abbreviation) is used for column headings required by 2.2 as shown below:

a. Automation First-Class and Standard Mail

Rate	Abbreviation
Carrier Route [letters/cards]	CB
5-digit [letters/cards]	5B
3-digit [letters/cards]	3B
3/5 [flats]	3/5B
Basic [letters/cards and flats] ..	BB

b. Presorted First-Class Mail and nonautomation Standard Mail

Rate	Abbreviation
Presorted First-Class	Presort
3/5	3/5
Basic	BS

c. Enhanced Carrier Route Standard Mail

Rate	Abbreviation
Saturation	WS
High Density	HD
Basic	CR

2.4 Tray, Sack, Pallet, Package Sortation Level

The actual sortation level (or corresponding abbreviation) is used for the tray, sack, pallet, or package sortation levels required by 2.2 as shown below:

Sortation level	Abbreviation
Carrier Route(s)	CR
5-Digit	5DG
3-Digit	3DG
3-Digit Scheme [barcoded letters].	3DGS
ADC	n/a
AADC	n/a
Mixed ADC	MADC
Mixed AADC	MAAD
SCF [pallets]	n/a
BMC or ASF	n/a

2.5 Combined and Copalletized Mailings

For combined or copalletized mailings of Periodicals and Regular Standard Mail prepared under M045, the listing must show the following additional information:

a. For mailings that require a separate postage statement, a column that further identifies the contents of all trays/packages by product or edition code, unless the mailer provides abbreviated documentation under 2.2. The applicable rates for each product or edition must be shown in the correct rate column and be summarized for each pallet and for the entire mailing.

b. For large-volume mailing jobs reported on a single listing, the mailer may provide abbreviated documentation that shows full package detail for the first 20 pallets and every twentieth pallet thereafter if the mailer maintains full package detail (by product or edition code and rate) for the entire mailing job for 90 days and can provide it to the Postal Service upon request within 3 working days. Abbreviated documentation must include the rate summary by product or edition for each pallet, including those for which full detail package listings are not reported.

2.6 Optional Information

Standardized documentation may include additional information about the pieces mailed (such as individual tray or sack total piece counts, optional identification codes, package weights) if this information does not conflict with the information required under 2.2 through 2.5.

[Revise the heading of renumbered 3.0 as follows:]

3.0 Standardized Documentation—Preferred Periodicals, Nonprofit Standard Mail, and Standard Mail (B)

[Renumber current 2.1 through 2.6 as 3.1 through 3.6, respectively; revise the introductory text of 3.1 as follows:]

3.1 Format and Content

For Preferred Periodicals, Nonprofit Standard Mail, and Standard Mail (B),

subject to the standards for the rate claimed, standard documentation must be provided that includes: * * *

* * * * *

[Revise the heading of renumbered 4.0 as follows:]

4.0 Postage Statement

[Add the following sentence to the end of the section:]

* * * A facsimile postage statement produced by software certified by the USPS Presort Accuracy Validation and Evaluation (PAVE) or Manifest Analysis and Certification (MAC) programs, appropriate for the accompanying class of mail and rate claimed, is considered a USPS-approved form for purposes of these standards.

P013 Rate Application and Computation

1.0 Basic Standards

* * * * *

[In 1.2c, replace “mailing statement” with “postage statement”; revise 1.3, 1.4, and 1.5 as follows:]

1.3 Determining Single-Piece Weight

To determine single-piece weight in any mailing at single-piece rates, in a bulk rate mailing at parcel post Standard Mail or Special Standard Mail rates, or in any bulk rate mailing of nonidentical-weight pieces (except at Periodicals rates), weigh each piece individually. To determine single-piece weight in any other bulk or presort rate mailing (except at Periodicals rates), weigh a sample group of at least 10 randomly selected pieces and divide the total sample weight by the number of pieces in the sample. Express all single-piece weights in decimal pounds rounded off to four decimal places.

1.4 Affixing Postage—Single-Piece Rate Mailings

In a postage-affixed single-piece rate Express Mail, First-Class, Priority Mail, or Standard Mail (A) mailing, or in any postage-affixed Standard Mail (B) mailing, the mailer must affix to each piece a value in adhesive stamps, precanceled stamps, or meter impressions equal to at least the postage required for the piece. (In a Standard Mail bound printed matter rate mailing, the postage affixed to each piece must be at least the sum of the applicable per pound charge based on the weight of the piece plus one unit of the applicable per piece charge.) Less than the correct amount of postage may be affixed only when permitted by standard or specific USPS authorization.

1.5 Affixing Postage—Other Than Single-Piece Rate Mailings

In a First-Class, Priority Mail, or Standard Mail postage-affixed mailing at other than a single-piece rate, the mailer must affix to each piece a value in precanceled stamps or meter impressions that equals at least the full amount of postage at the applicable rate; or

a. For First-Class and Priority Mail, the applicable postage at the lowest rate in the mailing (or a lesser amount if authorized under P760) if all additional postage is paid at the time of mailing.

b. For Standard Mail (A), the minimum per piece charge, with the pound rate charge paid with permit imprint under the applicable standards; or the applicable postage at the lowest rate in the mailing (or a lesser amount if authorized under P760) if all additional postage is paid at the time of mailing.

c. For bound printed matter Standard Mail, the postage affixed to each piece must be at least the sum of the applicable per pound charge plus one unit of the applicable per piece charge.

* * * * *

[Revise 3.0 (heading), 3.1, 3.2, and 3.3 as follows:]

3.0 Rate Application—Periodicals

3.1 Rate Elements

Postage for all Periodicals includes a pound rate charge, a piece rate charge, and any discount for which the mail qualifies under the corresponding standards.

3.2 Applying Pound Rate

Pound rates are applied to the weight of the mailpieces in the mailing. Regular and Preferred outside-county pound rates are based on the weight of the advertising portion of the mail sent to each postal zone (as computed from the entry office) and the weight of the nonadvertising portion without regard to zone. In-county pound rates consist of a delivery unit zone rate and a uniform (unzoned) rate for all other eligible mailpieces delivered within the county of publication. The minimum pound rate charge for any zone or other group for which a per pound charge is computed is 1 unit (1 pound) of the pound rate charge. *For example, three 2-ounce pieces for a zone are subject to the minimum 1-pound charge.*

3.3 Computing Weight of Advertising Portion

The pound rate charge is the sum of the charges for the computed weight of the advertising portion of copies to each zone, plus an additional flat (unzoned)

charge for the total weight of the nonadvertising portion of all copies to all zones. For publications containing advertising, the minimum pound rate charge for any zone to which copies are mailed is 1 unit (pound) of the advertising pound rate charge. The minimum pound rate charge for the nonadvertising portion is that which applies to all weight not reported in the advertising (zoned) portion. (Authorized nonprofit rate publications with an advertising percentage that is 10% or less are considered 100% nonadvertising. When computing the pound rates and the nonadvertising adjustment, use "0" as the *advertising percentage*. Authorized nonprofit rate publications claiming 0% advertising must pay the nonadvertising pound rate for the entire weight of all copies to all zones.)

* * * * *

[Revise the heading of 4.0 as follows:]

4.0 Rate Application—Standard Mail (A)

[In 4.1a, 4.1b, and 4.1c, replace "third-class" with "Standard Mail (A)" and revise the introductory text of 4.1 as follows:]

4.1 Single-Piece Rates

Single-piece rate postage is based on the rate that applies to the weight (postage) increment of each piece. Single-piece rates are applied differently, depending on weight: * * *

* * * * *

[Revise 4.3 as follows:]

4.3 Bulk Rates

Bulk rates are based on the weight of the pieces and are applied differently to pieces weighing under or equal to a "break point" (rounded to four decimal places) and those weighing more:

a. Pieces weighing 0.2067 pound (3.3062 ounces) or less (Enhanced Carrier Route rates), 0.2068 pound (3.3087 ounces) or less (Regular rates), or 0.2149 pound (3.4383 ounces) or less (Nonprofit rates), are subject to the minimum applicable rate per piece.

b. Pieces weighing more than 0.2067 pound (3.3062 ounces) (Enhanced Carrier Route rates), 0.2068 pound (3.3087 ounces) (Regular rates), or 0.2149 pound (3.4383 ounces) (Nonprofit rates), are subject to a per piece charge plus a per pound charge based on the weight of the piece.

[Revise the heading of 5.0 as follows:]

5.0 Rate Application—Standard Mail (B)

* * * * *

[Revise 5.4 as follows:]

5.4 Special Standard Mail

The Special Standard Mail rate is charged per pound or fraction thereof; any fraction of a pound is considered a whole pound. (Rate application is identical for the single-piece and presort rates.) For example, if an item weighs 4.225 pounds, the weight (postage) increment is 5 pounds. The minimum postage rate per piece is that for a piece weighing 1 pound.

[In 5.5 (heading and text), replace "Library" with "Library Mail."]

* * * * *

[Revise the heading of 7.0 as follows:]

7.0 Computing Postage—Periodicals

* * * * *

[Revise 7.4 and 7.6 as follows:]

7.4 Pound Rate

To compute the pound rate postage for Regular and Preferred outside-county copies, multiply the weight of the advertising and nonadvertising portions by the corresponding rates, add the *unrounded* results, and subtract any applicable discounts. To compute the pound rate postage for in-county copies, multiply their total weight by the corresponding rate per pound.

* * * * *

7.6 Nonadvertising Adjustment

To compute the nonadvertising adjustment (where applicable), subtract the advertising percentage from 100, multiply the remainder by the nonadvertising adjustment per piece, multiply the *unrounded product* by the number of pieces, and round off the product to four decimal places.

* * * * *

[Revise the heading of 8.0 as follows:]

8.0 Computing Postage—Standard Mail (A)

* * * * *

[Revise the heading of 9.0 as follows:]

9.0 Computing Postage—Standard Mail (B)

[In 9.1b and 9.3, replace "[F]ourth-[C]lass" with "Standard Mail (B)"; in 9.4, replace the reference "R400" with "R600."]

* * * * *

[Combine current 9.5 and 9.6 and revise as follows:]

9.5 Permit Imprint

In a permit imprint mailing:

a. At other than bulk bound printed matter rates, for each weight increment multiply the number of pieces by the applicable rate per piece, rounding off each product to four decimal places.

Add the products and round up the total postage to the nearest whole cent.

b. At bulk bound printed matter rates, for each zone multiply the total *unrounded* weight of the pieces by the applicable rate per pound (round off each product to four decimal places) and multiply the number of pieces by the applicable rate per piece *without* rounding. Add the pound and piece charges and round up the total postage to the nearest whole cent.

P014 Refunds and Exchanges

[In 2.3, replace "First-Class, third-class single-piece, and fourth-class mail" with "First-Class Mail, single-piece rate Standard Mail (A), or Standard Mail (B)"; in 2.4, replace "third-class" with "Standard Mail (A)"; in 4.1, replace "First-Class or bulk third-class mail" with "First-Class Mail or bulk rate Standard Mail (A)"; in 4.12a and 4.13a, replace "3 ounces or less" with "less than the applicable maximum weight for automation mail prescribed in C810"; in 4.12c, replace "ZIP+4 Presort, or one of the Barcoded" with "or automation"; in 4.13, replace "[T]hird-[C]lass" with "Standard Mail (A)"; in 4.13c, replace "3/5 presort, basic ZIP+4, or one of the Barcoded minimum per-piece rates" with "Nonprofit 3/5 presort, Nonprofit Basic ZIP+4, or one of the Nonprofit Barcoded minimum per piece rates, or at Regular 3/5 nonautomation or any automation minimum per piece rates, as applicable"; in 4.14, replace "will be" with "is"; in 4.14c, replace "sleeve, band, and ACT tag" with "sleeve and band"; in 4.14d, replace "First- or third-class" with "First-Class or Standard Mail (A)," remove 4.14e, redesignate 4.14f as 4.14e and replace "third-class" with "Standard Mail (A)"; in 4.15 and 4.17, replace "[M]ailing [S]tatement[s]" with "[P]ostage [S]tatement[s]"; remove 4.17c and redesignate 4.17d and 4.17e as 4.17c and 4.17d, respectively; in redesignated 4.17d, replace "in (b) (and (c) and (d), as applicable)" with "in 4.17b (and 4.17c, if applicable)"; no other change in text.]

P020 Postage Stamps and Stationery

P021 Stationery Bearing Postage

[In 1.1b, replace "special bulk third-class" with "Nonprofit Standard Mail"; in 2.5b, replace "Express, First-, or third-class mail" with "Express Mail, First-Class Mail, or Standard Mail (A)"; in 2.5a, 2.5c, and 2.5d, replace "third-class," "THIRD-CLASS," "single-piece rate third-class mail," and "third-class mail" with "Standard Mail (A)," "STANDARD MAIL," "single-piece rate Standard Mail (A)," and "Standard Mail

(A)," respectively; no other change in text.]

* * * * *

P023 Precanceled Stamps

[In 1.2, replace "third-class" with "Standard Mail (A)"; in 1.12, replace "Third-Class Mail" with "Standard Mail"; in 3.5a, replace "third-class mail" with "Standard Mail (A)"; no other change in text.]

P030 Postage Meters and Meter Stamps

[In 1.4, replace "second-class" with "Periodicals"; in 1.5 and 1.5c, replace "special fourth-class" with "Special Standard Mail"; in 1.5 and 1.5c, replace "library rate mail" with "Library Mail"; in 4.8 and 4.9, replace "third- or [and] fourth-class" with "Standard Mail"; in 4.14, replace "(e.g., 'Library Rate'))" with "(e.g., 'Presorted'))"; in 5.3a, replace "First- or third-class mail" with "First-Class Mail or Standard Mail (A)"; no other change in text.]

P040 Permit Imprints

[In 2.5 and 3.5b, replace "bulk third-class mail" with "bulk rate Standard Mail (A)"; in 3.2, replace "[S]econd-[C]lass [M]ail" with "Periodicals"; in 3.3, replace "[T]hird- and [F]ourth-[C]lass [M]ail" with "Standard Mail"; in 3.5a, replace "third- or fourth-class" with "Standard Mail"; in Exhibit 4.1a under the heading "First-Class Official Mail," replace "ZIP+4 Presort" with "First-Class Mail AUTO"; in Exhibit 4.1a under the heading "Third-Class Official Mail," replace the heading with "Standard Mail (A) Official Mail" and "Third-Class Mail" with "Standard Mail (A)" and "Carrier Route Presort" with "AUTOCR"; in Exhibit 4.1a under the heading "Fourth-Class Official Mail," replace the heading with "Standard Mail (B) Official Mail" and "Fourth-Class Mail" with "Standard Mail (B)" and "Special Fourth-Class Rate" with "Special Standard Mail"; in Exhibit 4.1b under the heading "First-Class Mail," no change; in Exhibit 4.1b under the heading "Third- and Fourth-Class Mail (Date and Class Omitted)," replace the heading with "Standard Mail (Date and Class Omitted)" and "Library Rate" with "Library Mail"; in Exhibit 4.1b under the heading "Third-Class Mail (Regular Single-Piece and Bulk Rates)," replace the heading with "Standard Mail (A) (Regular Single-Piece and Bulk Rates)" and delete "CAR-RT SORT"; in Exhibit 4.1b under the heading "Third-Class Mail (Authorized Organizations)," replace the heading with "Nonprofit Standard Mail"; in Exhibit 4.1b under the heading "Fourth-Class Bulk Rate Mail," replace the heading with

"Standard Mail (B) Bulk Rate Mail," "Fourth-Class" with "Standard Mail (B)," and "Special Fourth-Class Rate" with "Special Standard Mail"; in 5.5, replace "mailing statements" with "postage statements"; no other change in text.]

P070 Mixed Classes

[In 1.1, replace "second-, third-, or fourth-class" with "Periodicals or Standard Mail"; in 1.1, 1.2, 2.1, 2.2, 2.4, 2.5, 2.5d, 2.6, 2.6d, 2.7, 2.9, 2.9b, and 3.2, replace "First- or third-class" with "First-Class or Standard Mail (A)"; in 1.2, 2.2, 2.7, 2.9b, 3.2, 5.2, and 6.8, replace "mailing statement" with "postage statement"; in 1.3, 2.7, and 2.8, replace "third-class" with "Standard Mail (A)"; in 2.0 (heading), 2.1, 2.2, 2.4, 2.5, 2.6, 2.7, 2.9, 2.9a, and 4.2, replace "[S]econd-[C]lass" with "Periodicals"; in 3.0 (heading), replace "[T]hird- and [F]ourth-[C]lass" with "Standard Mail"; in 5.0 (heading) and 5.4, replace "[S]pecial [F]ourth-[C]lass" with "Special Standard Mail"; no other change in text.]

P100 First-Class Mail

* * * * *

2.0 Single-Piece Rates

[In 2.1, remove "regular."]

* * * * *

[Insert new 2.5 as follows:]

2.5 Pieces Presented With Automation Rate Mailings

Fewer than 500 pieces of single-piece rate First-Class Mail with postage affixed may be presented with other postage-affixed pieces claimed at automation rates, and may be reported on the same postage statement as the automation rate pieces, if the single-piece rate pieces meet these standards:

- The pieces are physically separated from the automation rate pieces.
- The pieces do not bear the "AUTO" rate marking.
- The pieces all bear the full correct single-piece rate postage. (Additional postage must be affixed to each as necessary.)

* * * * *

[In 3.2, replace "mailing statement" with "postage statement."]

[Revise 4.0 as follows:]

4.0 Presorted Rates

4.1 Payment Methods

Postage on mailings made at Presorted First-Class rates must be paid with meter stamps, permit imprints, or precanceled postage, subject to the corresponding standards. All pieces in a mailing must be paid with the same

method unless otherwise permitted by standard or RCSC authorization.

4.2 Postage Affixed, Generally

Unless permitted by other standards or RCSC authorization, when precanceled postage or meter stamps are used, all pieces in a single mailing must bear postage under one of these conditions:

- The full correct postage at the First-Class rate for which they qualify (no postage documentation is required).
- The full correct postage at the lowest First-Class first ounce rate applicable to the mailing (or list/job if more than one mailing is produced as part of the same list/job) and full postage for any extra ounce(s) (postage documentation is required).
- Postage in an amount not less than the lowest available First-Class first ounce letter or card rate (as applicable) if authorized by the RCSC, plus full postage for any extra ounce(s) (postage documentation is required).

4.3 Additional Postage

Additional postage for pieces not bearing sufficient postage when presented to the USPS (e.g., under 4.2b or 4.2c) must be paid before acceptance either using an advance deposit account or with a meter strip attached to the postage statement accompanying the mail. When the amount affixed is subject to RCSC authorization under 4.2c, credit will not be given for postage affixed in excess of the authorized amount.

[Revise 5.0 (heading), 5.1, and 5.2 as follows:]

5.0 Automation Rates

5.1 Payment Methods

Postage on mailings made at automation rates must be paid with meter stamps, permit imprints, or precanceled postage, subject to the corresponding standards. All pieces in a mailing must be paid with the same method unless otherwise permitted by standard or RCSC authorization. Permit imprints may be used for mailings of nonidentical-weight pieces only if authorized by the RCSC serving the mailing post office.

5.2 Postage Affixed, Generally

Unless permitted by other standards (e.g., 5.2c) or RCSC authorization, when precanceled postage or meter stamps are used, only one payment method may be used in a mailing and each piece must bear the correct postage at the rate for which it qualifies. In a metered or precanceled stamp mailing:

- Each piece weighing more than 1 ounce must bear the correct amount of

additional postage to pay for the additional ounces.

b. Flat-size pieces must bear enough postage to include the nonstandard surcharge if applicable.

c. Each piece may bear postage at the lowest rate applicable to pieces in the mailing if all additional postage is paid at the time of mailing with an advance deposit account or with a meter strip affixed to the required postage statement.

d. Documentation meeting the standards in P012 must be presented with the postage statement to show the number of pieces at each rate and the computation of the additional postage due for pieces not bearing full postage at the applicable rate (i.e., the difference between what the pieces bear and the correct postage at the rate for which each qualifies).

[In 5.3b, 5.3c, 5.4c, 5.4d, and 5.5, replace "mailing statement" with "postage statement."]

* * * * *

[Revise the heading of P200 as follows:]

P200 Periodicals

[In 1.3, 1.4, 1.9, 1.11, 1.12, and 2.4, replace "second-class [mail]" with "Periodicals"; in 1.4 and 1.9, replace "third- or fourth-class" with "Standard Mail"; in 1.3, 1.5, 1.6, 1.9, 1.10, 2.1, 2.2, and 2.4, replace "mailing statement" with "postage statement"; revise other sections as follows:]

* * * * *

[Revise 2.0 (heading) and 2.4 as follows:]

2.0 Monthly Postage Statement

* * * * *

2.4 Waiving Nonadvertising Rates

[Revise the first sentence as follows:]

Instead of marking a copy of each issue to show the advertising and nonadvertising portions, the publisher may pay postage at the advertising zone rates on both portions of all issues or editions of a Periodicals publication (except a requester publication). * * *

* * * * *

[Remove current 3.0 (key rates were eliminated on November 1, 1995); renumber current 4.0 as 3.0; in renumbered 3.0, replace "second-class" with "Periodicals" and remove the last sentence.]

[Remove P300.1.0; move P300.2.0 and P300.3.0 to new P600.2.0 and P600.3.0, respectively.]

[Remove P400.]

[No change to P500.]

[Insert new P600, based on current P300 and P400, as follows:]

P600 Standard Mail

1.0 Basic Information

1.1 Payment Method

Subject to the corresponding standards, postage for single-piece Standard Mail may be paid by any method; postage for bulk rate Standard Mail may be paid with meter or permit imprints. Postage for bulk rate Standard Mail (A) may also be paid with precanceled stamps. Postage-affixed pieces must bear the correct postage unless excepted by standard. A permit imprint may be used for mailings of nonidentical-weight pieces only if authorized by the RCSC serving the mailing office. The mailer is responsible for proper payment of postage.

1.2 Postage Statement

The mailer must submit a complete and signed postage statement, as specified in P012, with every Standard Mail mailing for which postage is paid with a permit imprint or claimed at any bulk rate.

1.3 Pieces Presented With Automation Rate Mailings

Fewer than 200 pieces of single-piece rate Standard Mail (A) with postage affixed may be presented with other postage-affixed pieces claimed at automation rates, and may be reported on the same postage statement as the automation rate pieces, if the single-piece rate pieces meet these standards:

a. The pieces are physically separated from the automation rate pieces.

b. The pieces do not bear the "AUTO" rate marking.

c. The pieces all bear the full correct single-piece rate postage. (Additional postage *must be affixed* to each as necessary.)

[Insert text of current P300.2.0; revise as follows:]

2.0 Nonautomation Rates

2.1 Identical-Weight Pieces

Bulk mailings of *identical-weight pieces* may have postage affixed at the 3/5 rate to each piece in the mailing with additional postage for pieces subject to the Basic rate paid either by an advance deposit account or with a meter strip affixed to the back of the accompanying postage statement. *The 3/5 rate pieces and carrier route or walk-sequence rate pieces may not be part of the same mailing and (except under D600) may not be reported on the same postage statement.*

[In 2.2, replace "mailing statement" with "postage statement."]

* * * * *

[Insert text of current P300.3.0; in 3.1, 3.2a, 3.2b, 3.3b, 3.3c, 3.4c, 3.4d, and 3.5, replace "mailing statement" with "postage statement"; revise as follows:]

3.0 Automation Rates

3.1 Method

[Revise the first sentence as follows:]

Postage on mailings made at all automation rates (including Nonprofit ZIP+4 and Barcoded rates) must be paid with meter stamps, permit imprints, or precanceled postage, under applicable standards. * * *

* * * * *

P700 Special Postage Payment Systems

P710 Manifest Mailing System (MMS)

[In 1.0, replace "second-class" with "Periodicals"; in 2.2a, 2.2b, 2.7, 2.8, and 2.8c, replace "mailing statement" with "postage statement"; in 2.6 and 3.1, replace "First- or third-class [mail]" with "First-Class or Standard Mail (A)"; in Exhibit 3.1, replace "Third-Class Mail" with "Standard Mail (A)"; in 4.2c, replace "mailing statement" with "postage statement."]

* * * * *

3.0 Keyline

* * * * *

[Combine and revise current 3.3 and 3.4 as shown below and renumber current 3.5 as 3.4 and 3.6 as 3.5.]

3.3 Rate Category Abbreviations—Letter-Size and Flat-Size Mail

Keylines on letter-size First-Class Mail or bulk Standard Mail (A) may use only the rate category abbreviations in Exhibit 3.3a or Exhibit 3.3b, respectively. All pieces that qualify for more than one postage rate must show each rate category abbreviation, separated by a "/" (slash) (e.g., ZP/DS).

Exhibit 3.3a

RATE CATEGORY ABBREVIATIONS—FIRST-CLASS MAIL

Code	Rate category
AC	Automation Carrier Route [letters only].
AV	Automation 5-Digit [letters only].
AT	Automation 3-Digit [letters only].
AF	Automation 3/5 [flats only].
AB	Automation Basic.
FP	Presorted.
SP	Single-Piece Rate (when fewer than 500 pieces accompany automation rate mail).

Exhibit 3.3b

RATE CATEGORY ABBREVIATIONS—
STANDARD MAIL (A)

Code	Rate Category
AV	Automation 5-Digit [letters only].
AT	Automation 3-Digit [letters only].
AF	Automation 3/5 [flats only].
AB	Automation Basic.
RA	Regular 3/5.
RB	Regular Basic.
EA	Enhanced Carrier Route Automation Basic [letters only].
EB	Enhanced Carrier Route Basic.
EH	Enhanced Carrier Route High Density.
ES	Enhanced Carrier Route Saturation.
ZB	Nonprofit 5-Digit Barcoded.
TB	Nonprofit 3-Digit Barcoded.
BB	Nonprofit Basic Barcoded.
ZP	Nonprofit 3/5 ZIP+4.
ZN	Nonprofit Basic ZIP+4.
ST	Nonprofit Saturation Walk Sequence.
WS	Nonprofit 125-Piece Walk Sequence.
CP	Nonprofit Carrier Route.
FD	Nonprofit 3/5.
BA	Nonprofit Basic.
DB	Destination BMC.
DS	Destination SCF.
DD	Destination Delivery Unit.
SP	Single-Piece Rate (when fewer than 200 pieces accompany automation rate mail).

* * * * *

P720 Optional Procedure (OP) Mailing System

[In 1.1, replace "First-, third-, and fourth-class" with "First-Class and Standard Mail"; in 3.1 and 3.2, replace "mailing statement" with "postage statement"; no other change in text.]

* * * * *

P750 Plant-Verified Drop Shipment (PVDS)

[In 1.1, 1.2b, 1.3a, 2.4, 2.6, 2.12a, and 5.1, replace "[S]econd-class [mail]" with "Periodicals"; in 1.2c, 2.5, and 2.11, replace "[T]hird- and [F]ourth-[C]lass [Mail]" with "Standard Mail"; in 1.3b, 2.2e, and 2.5, replace "third- or fourth-class" with "Standard Mail"; in 1.4, 2.2d, 2.2e, 2.6, 2.7, 2.8, 2.10, 6.2, 6.3a, 6.4, 6.5, 7.1, 7.2, 7.3, 7.4, 7.4a, 7.4b, 7.4c, 7.4d, 7.5, 7.6, 7.7, 7.7a, 7.7f, 7.8, 7.9, 7.10, 7.11, and 7.12, replace "mailing statement" with "postage statement"; in 2.7, 2.9, 2.12b, 5.2, and

6.0 (heading), replace "[T]hird-[C]lass [Mail]" with "Standard Mail (A)"; in 2.8, 2.12c, 5.3, 7.0 (heading), and 7.2, replace "[F]ourth-[C]lass [Mail]" with "Standard Mail (B)"; in 1.4, replace "(or 8125-PV)" with "(or Form 8125-PV)"; in 2.11, replace the reference "C042" with "C023"; no other change in text.] [Revise the heading of P760 as follows:]

P760 First-Class or Standard Mail Mailings With Different Postage Payment Methods

[In 1.1 and 4.1, replace "First- or third-class" with "First-Class or Standard Mail (A)"; in 1.5c, 1.5e, 4.1a, 4.1b, 4.2, 4.3, 4.5, and 4.7, replace "mailing statement" with "postage statement"; in 3.1e, 3.2, and 3.3a, replace "third-class" with "Standard Mail (A)"; in Exhibit 4.6, replace "First-Class and Third-Class ZIP+4 Barcoded," "ZIP+4 Barcoded," and "3rd" with "First-Class and Standard Mail Automation and Barcoded," "Automation or Barcoded," and "STD," respectively; in Exhibit 4.6 under part A (section 2), replace "3600-PC" and "3602-PC" with "3600-P" and "3602-PR," respectively; add "3602-PN"; in Exhibit 4.6 under part A (section 3), replace "3600-PC" and "3602-PC" with "3600-P" and "3602-PR," respectively; add "3602-PN"; revise 2.0 as shown below; no other change in text.]

* * * * *

2.0 Postage

2.1 Metered Pieces—First-Class Mail

Metered pieces in a combined mailing must bear postage for the first ounce at the Presorted rate or at an automation rate for which the pieces are eligible and, if applicable, the full amount of postage due for additional ounces. Additional postage due for metered pieces in a combined mailing is deducted from the mailer's postage due advance deposit account. Full postage must be affixed to accompanying single-piece rate mail.

2.2 Metered Pieces—Standard Mail (A)

Metered pieces in a combined mailing must bear postage at a Regular nonautomation presort or automation rate (or, in combined Nonprofit mailings only, at a Nonprofit presort, ZIP+4, or

Barcoded rate) for which the pieces are eligible. Additional postage due for metered pieces in a combined mailing is deducted from the mailer's postage due advance deposit account. Full postage must be affixed to accompanying single-piece rate mail.

2.3 Precanceled Pieces—First-Class Mail

Pieces with precanceled stamps in a combined mailing must bear postage for the first ounce in any denomination of precanceled stamp permitted in a Presorted or automation rate mailing and the full applicable amount of postage due for additional ounces. Additional postage due for precanceled stamp pieces in a combined mailing is deducted from the mailer's postage due advance deposit account. Full postage must be affixed to accompanying single-piece rate mail.

2.4 Precanceled Pieces—Standard Mail (A)

Pieces with precanceled stamps in a combined mailing must bear postage in any denomination of precanceled stamp permitted in a Regular automation rate or Nonprofit Barcoded rate mailing. Nonprofit postage may appear only on pieces in a Nonprofit rate mailing that are eligible for and claimed at a Nonprofit rate. Additional postage due for precanceled stamp pieces in a combined mailing is deducted from the mailer's postage due advance deposit account. Full postage must be affixed to accompanying single-piece rate mail.

2.5 Permit Imprint—First-Class and Standard Mail (A)

Pieces in a combined mailing may bear the permit imprint of the mailer or the mailer's clients. Postage for the permit imprint part of a combined mailing must be paid by the permit imprint advance deposit account maintained for combined mailings. Postage is deducted only from this account, regardless of the permit numbers or company permit imprints on pieces in a combined mailing.

* * * * *

R Rates and Fees

R000 Stamps and Stationery

1.0 Plain Stamped Envelopes

Type	Size ¹	Denomination or Value	Quantity and Price		
			Each (less than 500)	500	1,000
Regular	6-3/4	\$0.32	\$0.38	\$168.20	\$336.40
	10	0.32	0.38	172.00	344.00
Single Window	6-3/4	0.32	0.38	169.00	338.00
	10	0.32	0.38	173.00	346.00

Type	Size ¹	Denomina- tion or Value	Quantity and Price		
			Each (less than 500)	500	1,000
Special Regular ²	6-3/4	0.32	0.38	170.50	341.00
	10	0.32	0.38	175.00	350.00
Bulk Rate Regular	10	0.10	.....	62.00	124.00
Nonprofit Regular	6-3/4	0.05	.....	33.20	66.40
	10	0.05	.....	37.00	74.00
Nonprofit Single Window	6-3/4	0.05	.....	34.00	68.00
	10	0.05	.....	38.00	76.00

¹ Size 10 includes all intermediate sizes through 10.

² Envelopes with multicolor indicia such as a Love stamp or a hologram.

2.0 Personalized Stamped Envelopes

Type	Size ¹	Denomina- tion or Value	Quantity and Price		
			50	500	1,000
Regular	6-3/4	\$0.32	\$19.00	\$172.60	\$345.20
	10	0.32	19.20	176.40	352.80
Single Window	6-3/4	0.32	19.10	173.40	346.80
	10	0.32	19.30	177.40	354.80
Special Regular ²	6-3/4	0.32	19.00	174.90	349.80
	10	0.32	19.20	179.40	358.80
Bulk Rate Regular	10	0.10	.....	66.40	132.80
Nonprofit Regular	6-3/4	0.05	.....	37.60	75.20
	10	0.05	.....	41.40	82.80
Nonprofit Single Window	6-3/4	0.05	.....	38.40	76.80
	10	0.05	.....	42.40	84.80

¹ Size 10 includes all intermediate sizes through 10.

² Envelopes with a multicolor indicia such as a Love stamp or a hologram.

3.0 Postal Cards

Postal cards in sheets, per sheet:
\$8.00.

Denomination	Description
\$0.20	Domestic regular or com- memorative, cut single card.
0.20	Domestic regular, sheet of 40.

Denomination	Description
0.40	Domestic regular, double reply-paid card.

4.0 Postage Stamps

Purpose	Form	Denomination
Regular Postage	Panes of up to 100	\$0.01, .02, .03, .04, .05, .10, .20, .23, .25, .29, .30, .32, .35, .40, .45, .46, .50, .52, .55, .60, .75, .78, \$1, \$2, \$3, \$5, \$10.75.
	Booklets	\$0.20 (\$2.00 booklet). \$0.32 (\$3.20 or \$6.40 booklets).
	Coils of 100	\$0.20, .23 (additional ounce postage), .32.
	Coils of 500	\$0.01, .02, .03, .04, .05, .10, .20, .23, .32, \$1.
	Coils of 3,000	\$0.01, .02, .03, .04, .05, .10, .20, .23, .32.
	Coils of 10,000	\$0.05, .32.
Precanceled Bulk Rate Postage—First-Class and Standard Mail (A).	Coils of 500, 3,000, and 10,000	Various nondenominated (available only to permit holders).
Commemorative	Panes of up to 50	\$0.32 and other denominations.
	20-Stamp Booklets	\$0.32 (\$6.40 booklets).

R100 First-Class Mail

1.0 Single-Piece

1.1 Cards

Single and double postal cards and postcards meeting the standards in C100 and E110:

Type	Rate
Single	\$0.20.
Double	0.40 (\$0.20 each part).

1.2 Letters, Flats, and Parcels

Letters, flats, and parcels (i.e., matter not eligible for card rates); surcharge might apply under 9.0:

Weight increment	Rate
First ounce or fraction of an ounce	\$0.32
Each additional ounce or fraction of an ounce	0.23

2.0 Nonautomation—Presorted**2.1 Cards**

Single and double postcards meeting the standards in C100 and E110: \$0.180 each.

2.2 Letters, Flats, and Parcels

Letters, flats, and parcels (i.e., matter not eligible for card rates); surcharge might apply under 9.0:

Weight increment	Rate
First ounce or fraction of an ounce: (For pieces weighing not more than 2 ounces)	0.295
(For pieces weighing more than 2 ounces)	0.249
Each additional ounce or fraction of an ounce	0.230

3.0 Automation—Basic**3.1 Cards**

Single and double postcards meeting the standards in C100 and E110: \$0.166 each.

3.2 Letters

Letter-size pieces other than cards:

Weight increment	Rate
First ounce or fraction of an ounce: (For pieces weighing not more than 2 ounces)	0.261
(For pieces weighing more than 2 ounces)	0.215
Each additional ounce or fraction of an ounce	0.230

3.3 Flats

Flat-size pieces; surcharge might apply under 9.0:

Weight increment	Rate
First ounce or fraction of an ounce: (For pieces weighing not more than 2 ounces)	0.290
(For pieces weighing more than 2 ounces)	0.244
Each additional ounce or fraction of an ounce	0.230

4.0 Automation—3-Digit**4.1 Cards**

Single and double postcards meeting the standards in C100 and E110: \$0.159 each.

4.2 Letters

Letter-size pieces other than cards:

Weight increment	Rate
First ounce or fraction of an ounce: (For pieces weighing not more than 2 ounces)	0.254
(For pieces weighing more than 2 ounces)	0.208
Each additional ounce or fraction of an ounce	0.230

5.0 Automation—5-Digit**5.1 Cards**

Single and double postcards meeting the standards in C100 and E110: \$0.143 each.

5.2 Letters

Letter-size pieces other than cards:

Weight Increment	Rate
First ounce or fraction of an ounce: (For pieces weighing not more than 2 ounces)	0.238
(For pieces weighing more than 2 ounces)	0.192
Each additional ounce or fraction of an ounce	0.230

6.0 Automation—³/₅ (Flat-Size Pieces)

Flat-size pieces; surcharge might apply under 9.0:

Weight Increment	Rate
First ounce or fraction of an ounce: (For pieces weighing not more than 2 ounces)	0.270
(For pieces weighing more than 2 ounces)	0.224
Each additional ounce or fraction of an ounce	0.230

7.0 Automation—Carrier Route**7.1 Cards**

Single and double postcards meeting the standards in C100 and E110: \$0.140 each.

7.2 Letters

Letter-size pieces other than cards:

Weight Increment	Rate
First ounce or fraction of an ounce: (For pieces weighing not more than 2 ounces)	0.230
(For pieces weighing more than 2 ounces)	0.184
Each additional ounce or fraction of an ounce	0.230

Letters, Flats, and Parcels Weight Not Over (ounces)	Nonautomation		Automation					
	Single-Piece	Presorted	Basic (Letter-Size)	3-digit (Letter-Size)	5-digit (Letter-Size)	Carrier Route (Letter-Size)	Basic (Flat-Size)	³ / ₅ (Flat-Size)
1 ¹	\$0.32	\$0.295	\$0.261	\$0.254	\$0.238	\$0.230	\$0.290	\$0.270
2	0.55	0.525	0.491	0.484	0.468	0.460	0.520	0.500
3 ²	0.78	0.709	0.675	0.668	0.652	0.644	0.704	0.684
4	1.01	0.939	³ 0.905	³ 0.898	³ 0.882	³ 0.874	0.934	0.914
5	1.24	1.169					1.164	1.144
6	1.47	1.399					1.394	1.374
7	1.70	1.629					1.624	1.604
8	1.93	1.859					1.854	1.834
9	2.16	2.089					2.084	2.064
10	2.39	2.319					2.314	2.294
11	2.62	2.549					2.544	2.524
Postcards ⁴								
Postal Cards ⁴								
Single	\$0.20	\$0.180	\$0.166	\$0.159	\$0.143	\$0.140		
Double	0.40							

¹ Surcharge might apply.

² Presorted and automation rates for pieces weighing over 2 ounces reflect a first-ounce rate that is \$0.046 lower than for pieces weighing 2 ounces or less; see 2.0 through 7.0.

³ Weight not to exceed 3.4383 ounces; pieces over 3 ounces subject to additional standards.

⁴Rates shown apply to each single or double postcard when originally mailed; reply half of double postcard must bear postage at applicable rate when returned unless prepared as business reply mail.

Summary of First-Class Rates

[Renumber current 10.0 as 8.0 and Exhibit 10.0a and Exhibit 10.0b as Exhibit 8.0a and Exhibit 8.0b, respectively.]

8.0 Priority Mail

See Exhibit 8.0a and Exhibit 8.0b.
[Renumber current 11.0 as 9.0; revise text as follows:]

9.0 Nonstandard Surcharge

Surcharge per piece:
a. Single-piece rate: \$0.11.
b. Nonautomation presort and automation rates (flat-size): \$0.05.
[Combine current 12.0, 13.0, and 14.0 and renumber as 10.0; revise text as follows:]

10.0 Fees

10.1 Mailing

Presort fee, per 12-month period, per office of mailing: \$85.00.

10.2 Address Correction Service

Charge per notice issued:

- a. Manual: \$0.50.
b. Automated: \$0.20.

10.3 Pickup

Priority Mail only, per occurrence: \$4.95.

R200 Periodicals

1.0 Regular

1.1 Pound Rates

Per pound or fraction:

a. For the nonadvertising portion: \$0.161.

b. For the advertising portion:

Zone	Rate
Delivery Unit	\$0.169
SCF	0.190
1 & 2	0.214
3	0.224
4	0.251
5	0.292
6	0.336
7	0.388
8	0.432

1.2 Piece Rates

Per addressed piece:

Presort Level	Nonautomation	Automation ¹	
		Letter-Size	Flat-Size
Basic	\$0.240	\$0.194	\$0.209
3/5	0.202	0.173	0.175
Carrier Route	0.119		
High Density	0.111		
Saturation	0.095		

¹Weight limits apply.

1.3 Discounts

Piece rate discounts:

a. Nonadvertising adjustment for each 1% of nonadvertising content: \$0.00057 per piece.

b. Delivery unit zone piece discount for each addressed piece claimed in the pound rate portion at the delivery unit zone rate: \$0.021.

c. SCF zone piece discount for each addressed piece claimed in the pound

rate portion at the SCF zone rate: \$0.011.

* * * * *

5.0 Science-of-Agriculture

5.1 Pound Rates

Per pound or fraction:

a. For the nonadvertising portion: \$0.161.

b. For the advertising portion:

Zone	Rate
Delivery Unit	\$0.127
SCF	0.143
1 & 2	0.161
3	0.224
4	0.251
5	0.292
6	0.336
7	0.388
8	0.432

5.2 Piece Rates

Per addressed piece:

Presort Level	Nonautomation	Automation ¹	
		Letter-Size	Flat-Size
Basic	\$0.240	\$0.194	\$0.209
3/5	0.202	0.173	0.175
Carrier Route	0.119		
High Density	0.111		
Saturation	0.095		

¹Weight limits apply.

5.3 Discounts

Piece rate discounts:

a. Nonadvertising adjustment for each 1% of nonadvertising content: \$0.00057 per piece.

b. Delivery unit zone piece discount for each addressed piece claimed in the pound rate portion at the delivery unit zone rate: \$0.021.

c. SCF zone piece discount for each addressed piece claimed in the pound

rate portion at the SCF zone rate: \$0.011.

6.0 Fees

6.1 Application

Fee, as appropriate, per application:

- a. Original entry: \$305.00.
 b. News agent registry: \$50.00.
 c. Additional entry: \$85.00.
 d. Reentry: \$50.00.

6.2 Address Correction Service

Charge per notice issued:

- a. Manual: \$0.50.
 b. Automated: \$0.20.

* * * * *

[Redesignate text of current R300 and R400 as parts of new R600 and revise as shown below; no change in R500.]

R600 Standard Mail

1.0 Single-Piece (Standard Mail (A))

Weight	Rate
Not over 1 oz ¹	\$0.32
Over 1 oz., but not over 2 oz	0.55
Over 2 oz., but not over 3 oz	0.78
Over 3 oz., but not over 4 oz	1.01
Over 4 oz., but not over 5 oz	1.24
Over 5 oz., but not over 6 oz	1.47
Over 6 oz., but not over 7 oz	1.70
Over 7 oz., but not over 8 oz	1.93
Over 8 oz., but not over 9 oz	2.16
Over 9 oz., but not over 10 oz	2.39
Over 10 oz., but not over 11 oz ...	2.62
Over 11 oz., but not over 13 oz ...	2.90
Over 13 oz., but under 16 oz	2.95

¹ Surcharge might apply.

2.0 Keys and Identification Devices

Weight	Rate
Not over 2 oz	\$0.99
Over 2 oz., but not over 4 oz	1.54
Over 4 oz., but not over 6 oz	2.09
Over 6 oz., but not over 8 oz	2.64
Over 8 oz., but not over 10 oz	3.19
Over 10 oz., but not over 12 oz ...	3.74
Over 12 oz., but not over 14 oz ...	4.29
Over 14 oz., but under 16 oz	4.84

3.0 Regular

3.1 Letter-Size Minimum Per Piece Rates—Pieces 0.2068 lb. (3.3087 oz.) or Less

Entry discount	Nonautomation		Automation ¹		
	Basic	3/5	Basic	3—digit	5—digit
None	\$0.256	\$0.209	\$0.183	\$0.175	\$0.155
DBMC	0.243	0.196	0.170	0.162	0.142
DSCF	0.238	0.191	0.165	0.157	0.137
DDU					

¹ Pieces weighing over 3 ounces subject to additional standards.

3.2 Nonletter-Size Minimum Per Piece Rates—Pieces 0.2068 lb. (3.3087 oz.) or Less

Entry Discount	Nonautomation		Automation ¹	
	Basic	3/5	Basic	3/5
None	\$0.306	\$0.225	\$0.277	\$0.189
DBMC	0.293	0.212	0.264	0.176
DSCF	0.288	0.207	0.259	0.171

¹ Available only for automation-compatible flats.

3.3 Piece/Pound Rates—Pieces More Than 0.2068 lb. (3.3087 oz.)

Piece/Pound Rate ¹	Nonautomation		Automation ²	
	Basic	3/5	Basic	3/5
Per Piece	\$0.166	\$0.085	\$0.137	\$0.049
Per Pound (includes entry discount if applicable)	PLUS	PLUS	PLUS	PLUS
None	0.677	0.677	0.677	0.677
DBMC	0.613	0.613	0.613	0.613
DSCF	0.592	0.592	0.592	0.592

¹ Each piece is subject to both a piece rate and a pound rate.

² Available only for automation-compatible flats.

4.0 Enhanced Carrier Route

4.1 Letter-Size Minimum Per Piece Rates—Pieces 0.2066 lb. (3.3062 oz.) or Less

Entry Discount	Nonautomation			Automa- tion
	Basic ¹	High Density	Satura- tion	Basic ¹
None	\$0.150	\$0.142	\$0.133	\$0.146

Entry Discount	Nonautomation			Automat- tion
	Basic ¹	High Density	Satura- tion	Basic ¹
DBMC	0.137	0.129	0.120	0.133
DSCF	0.132	0.124	0.115	0.128
DDU	0.127	0.119	0.110	0.123

¹ Pieces weighing over 3 ounces subject to additional standards.

4.2 Nonletter-Size Minimum Per Piece Rates—Pieces 0.2066 lb. (3.3062 oz.) or Less

Entry Discount	Basic	High Density	Satura- tion
DBMC	0.142	0.134	0.124
DSCF	0.137	0.129	0.119
DDU	0.132	0.124	0.114
None	\$0.155	\$0.147	\$0.137

4.3 Piece/Pound Rates—Pieces More Than 0.2066 lb. (3.3062 oz.)

Piece/Pound Rate ¹	Basic	High Density	Satura- tion
Per Piece	\$0.018	\$0.010	\$0.000
Per Pound (includes entry discount if applicable)	PLUS	PLUS	PLUS
None	0.663	0.663	0.663
DBMC	0.599	0.599	0.599
DSCF	0.578	0.578	0.578
DDU	0.552	0.552	0.552

¹ Each piece is subject to both a piece rate and a pound rate.

5.0 Nonprofit

5.1 Letter-Size Minimum Per Piece Rates—Pieces 0.2149 lb. (3.4383 oz.) or Less

Entry Discount	Nonautomation				Automation ¹				
	Basic	3/5	Carrier Route	Satura- tion W S	Basic ZIP+4	3/5 ZIP+4	Basic Barcoded	3-Digit Barcoded	5-Digit Barcoded
None	\$0.124	\$0.111	\$0.086	\$0.083	\$0.117	\$0.107	\$0.106	\$0.101	\$0.093
DBMC	0.112	0.099	0.074	0.071	0.105	0.095	0.094	0.089	0.081
DSCF	0.106	0.093	0.068	0.065	0.099	0.089	0.088	0.083	0.075
DDU			0.063	0.060					

¹ Lower weight limits might apply.

5.2 Nonletter-Size Minimum Per Piece Rates—Pieces 0.2149 lb. (3.4383 oz.) or Less

Entry Discount	Nonautomation					Automation ¹				
	Basic	3/5	Carrier Route	125- Piece W S	Satura- tion W S	Basic ZIP+4	3/5 ZIP+4	Basic Barcoded	3-Digit Barcoded	3/5 Barcoded
None	\$0.175	\$0.161	\$0.128	\$0.126	\$0.121	.....	.....	\$0.149	.....	\$0.143
DBMC	0.163	0.149	0.116	0.114	0.109	.....	.....	0.137	.....	0.131
DSCF	0.157	0.143	0.110	0.108	0.103	.....	.....	0.131	.....	0.125
DDU			0.105	0.103	0.098					

¹ Available only for automation-compatible flats.

5.3 Piece/Pound Rates—Pieces More Than 0.2149 lb. (3.4383 oz.)

Piece/Pound Rate ¹	Nonautomation					Automation ²				
	Basic	3/5	Carrier Route	125-Piece W S	Satura-tion W S	Basic ZIP+4	3/5 ZIP+4	Basic Barcoded	3-Digit Barcoded	3/5 Barcoded
Per Piece	\$0.074	\$0.060	\$0.027	\$0.025	\$0.020	.....	.....	\$0.048	.....	\$0.042
Per Pound (includes entry discount if applicable)	PLUS	PLUS	PLUS	PLUS	PLUS	.....	.....	PLUS	.....	PLUS
None	0.470	0.470	0.470	0.470	0.470	.....	.....	0.470	.....	0.470
DBMC	0.410	0.410	0.410	0.410	0.410	.....	.....	0.410	.....	0.410
DSCF	0.386	0.386	0.386	0.386	0.386	.....	.....	0.386	.....	0.386
DDU .....	.....	.....	0.362	0.362	0.362	.....	.....	.....	.....	.....

¹ Each piece is subject to both a piece rate and a pound rate.

² Available only for automation-compatible flats.

6.0 Parcel Post

[Insert text and rates from current R400.1.0 with no change.]

7.0 Bound Printed Matter

7.1 Single-Piece

[Insert text and rates from current R400.2.0 with no change.]

7.2 Bulk

[Insert text and rates from current R400.3.0 with no change.]

7.3 Bulk Rate Computed Postage Amount With Postage Affixed

[Insert text and rates from current R400.4.0 with no change.]

8.0 Special Standard Mail

[Insert text and rates from current R400.5.0 with no change.]

9.0 Library Mail

[Insert text and rates from current R400.6.0 with no change.]

10.0 Fees

10.1 Mailing Fees

Fee, as appropriate, per 12-month period:

a. Regular, Enhanced Carrier Route, and Nonprofit rates: \$85.00.

b. Parcel post destination BMC rate: \$85.00.

c. Presorted Special Standard Mail: \$85.00.

10.2 Address Correction Service

Charge per notice issued:

a. Manual: \$0.50.

b. Automated: \$0.20.

10.3 Pickup

Parcel post only, per occurrence: \$4.95.

11.0 Nonstandard Surcharge

Single-piece rate Standard Mail (A) only, per piece: \$0.11.

S Special Services

S000 Miscellaneous Services

* * * * *

[Revise the heading of S020 as follows:]

S020 Money Orders and Other Services

[Revise the headings of 1.0, 2.0, and 3.0 as "Issuing Money Orders," "Cashing Money Orders," and "Use of Federal Reserve System," respectively.]

[Add new 4.0, based on S030.1.0, as follows:]

4.0 Nonpostal Services

4.1 Bird Stamps

Migratory-bird hunting and conservation stamps ("bird stamps") are required by federal law for the hunting of migratory birds, such as ducks and geese. As a public convenience, these stamps are sold at all post offices in CAGs A through J and, based on demand, at designated offices in CAGs K and L. These post offices act as agents of the federal government for this function. Blocks composed of two or more attached unused stamps, sold on consignment to any person but not resold, may be redeemed at any time on or before the last day of the stamp year. Stamps may not be redeemed if they are validated by signature or appear removed from a hunting license or identification card.

[Redesignate current S030.2.0, S030.3.0, and S030.4.0 as S020.4.2, S020.4.3, and S020.4.4, respectively; no other change in text; remove current S030.]

S070 Mixed Classes

[In 1.1, replace "third- or fourth-class mail" with "Standard Mail"; in 1.2, replace "third- and fourth-class" with "Standard Mail"; no other change in text.]

S500 Special Services for Express Mail

[In 3.0, replace "third- or fourth-class" with "Standard Mail"; no other change in text.]

S900 Special Postal Services

* * * * *

S913 Insured Mail

[In 1.2a, replace "Third- and fourth-class mail" with "Standard Mail"; in 1.2b, replace "Third- or fourth-class," "Third-Class Mail," and "Fourth-Class Mail" with "Standard Mail," "Standard Mail (A)," and "Standard Mail (B)," respectively; no other change in text.]

S914 Certificate of Mailing

[In 1.2, delete "or for First-, third-, and fourth-class matter bearing an official mail indicia"; in revised 1.2, replace "First-, third-, and fourth-class matter" with "First-Class and Standard Mail"; in 1.6, replace "third-class mail" with "Standard Mail (A)"; delete 2.3 and renumber current 2.4 as 2.3"; no other change in text.]

S915 Return Receipts

1.0 Basic Information

* * * * *

[Replace current 1.4 with new 1.4 as follows:]

1.4 Postage and Fees

The applicable fee for return receipt service must be paid in addition to postage and other fees. For purposes of computing postage, the weight of the return receipt is excluded from the weight of the mailpiece to which it is attached.

* * * * *

S917 Return Receipt for Merchandise

[In 1.2, replace "third-class," "special fourth-class," and "library rates of postage" with "Standard Mail (A)," "Special Standard Mail," and "Library Mail postage rates," respectively; in 1.3, replace "third-class" and "third-class"

and fourth-class" with "Standard Mail (A)" and "Standard Mail," respectively; no other change in text.]

S921 Collect on Delivery (COD) Mail

[In 1.2, replace "First-, third-, fourth-class, and Express Mail" with "Express Mail, First-Class and Priority Mail, and Standard Mail"; no other change in text.]

* * * * *

S923 Merchandise Return Service

[In 1.1, replace "third-class, and fourth-class mail," "special fourth-class," and "library rate" with "and Standard Mail," "Special Standard Mail," and "Library Mail," respectively; in 1.7, replace "First-Class, third-class, and

fourth-class" with "First-Class and Standard Mail"; in 1.10, replace "single-piece third-class or fourth-class parcel post" with "Standard Mail single-piece Regular or parcel post"; in 1.11, replace "or third- or fourth-class," "Special fourth-class," and "library rate" with "or Standard Mail (A) or Standard Mail (B)," "Special Standard Mail," and "Library Mail," respectively; in 3.2, replace "First-, third-, or fourth-class" with "First-Class, or Standard Mail"; in 4.1, replace "third- or fourth-class," "Third-Class Mail," and "Fourth-Class Mail" with "Standard Mail," "Standard Mail (A)," and "Standard Mail (B)," respectively; in 4.7 and 5.6d, replace "third- or fourth-class" with "Standard

Mail"; in 4.10, replace "third- and fourth-class" with "Standard Mail"; no other change in text.]

S930 Handling

[In 2.2, replace "third- and fourth-class mail" with "Standard Mail"; in 3.2, replace "both third-class mail and fourth-class mail" with "Standard Mail"; no other change in text.]

* * * * *

An appropriate amendment to 39 CFR 111.3 will be published to reflect these changes.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 96-5500 Filed 3-5-96; 3:54 pm]

BILLING CODE 7710-12-P

Estimated
Retail Price

Tuesday
March 12, 1996

Part III

Postal Service

**Changes in Domestic Mail Classifications
and Rates; Notice**

POSTAL SERVICE**Changes in Domestic Mail Classifications and Rates**

AGENCY: Postal Service.

ACTION: Notice of implementation of changes to the Domestic Mail Classification Schedule and accompanying rate changes.

SUMMARY: This notice sets forth the changes to the Domestic Mail Classification Schedule and the accompanying rate changes to be implemented as a result of the decision of the Governors of the Postal Service on Classification Reform I.

EFFECTIVE DATE: July 1, 1996.

FOR FURTHER INFORMATION CONTACT: Grayson M. Poats, (202) 268-2981.

SUPPLEMENTARY INFORMATION: On March 24, 1995, pursuant to its authority under 39 U.S.C. 3621 *et seq.*, the Postal Service filed with the Postal Rate Commission (PRC) a request for a recommended decision on a number of mail classification reform proposals ("Classification Reform I"), PRC Docket No. MC95-1. The PRC published a notice in the Federal Register on April 3, 1995 (60 FR 16888-16893) describing the Postal Service's request and offering interested parties an opportunity to intervene.

On January 26, 1996, the PRC issued an Opinion and Recommended Decision 2 in Docket No. MC95-1. The PRC's recommendation made significant revisions to some of the mail classification structure and rates requested by the Postal Service and included classification recommendations that were not based on those proposed by the Postal Service.

On March 4, 1996, the Governors of the Postal Service, pursuant to their authority under 39 U.S.C. 3625, acted on the PRC's Recommended Decision in Docket No. MC95-1 in two separate decisions. In one decision, the Governors rejected the PRC's recommendations regarding Courtesy Envelope Mail and Bulk Parcel Post. Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on Courtesy Envelope Mail and Bulk Parcel Post, Docket No. MC95-1 (March 4, 1996). In the second decision, the Governors approved the remainder of the PRC's Classification Reform recommendations and accompanying rate changes. Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on Classification Reform I, Docket No. MC95-1 (March 4, 1996). A copy of the

attachments to that Decision, setting forth the classification and rate changes approved by the Governors, is set forth below.

Also on March 4, 1996, the Board of Governors of the Postal Service, pursuant to their authority under 39 U.S.C. 3625(f), determined to implement the rate and classification changes approved by the Governors effective at 12:01 a.m. on July 1, 1996 (Resolution No. 96-2).

In accordance with the Decision of the Governors and Resolution No. 96-2, the Postal Service hereby gives notice that the classification and rate changes set forth below will become effective at 12:01 a.m. on July 1, 1996.

Implementing regulations also become effective at that time, as noted elsewhere in this issue.

Stanley F. Mires,
Chief Counsel, Legislative.

Attachment A to the Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on Classification Reform I, Docket No. MC95-1

March 4, 1996.

Changes to the Domestic Mail Classification Schedule

Amend Classification Schedule 500, Express Mail, by inserting the italicized text and deleting the text in brackets, as follows:

Expedited Mail Classification Schedule
[Classification Schedule 500—Express Mail]

110 [500.01] Definition

[500.010] *Expedited Mail is mail matter entered as Express Mail in accordance with the provisions of this Schedule.* Any matter eligible for mailing may, at the option of the mailer, be mailed as Express Mail.

120 [500.02] Description of Services

121 [500.020] Same Day Airport Service

Same Day Airport Service is available between designated airport mail facilities.

122 [500.021] Custom Designed Service

122.1 General. Custom Designed service is available between designated postal facilities or other designated locations for mailable matter tendered in accordance with a service agreement between the Postal Service and the mailer. Service under a service agreement shall be offered in a manner consistent with 39 U.S.C. 403(c).

122.2 Service Agreement. [500.0211] A service agreement shall set forth the following:

a. The scheduled place for each shipment tendered for service to each specific destination;

b. Scheduled place for claim, or delivery, at destination for each scheduled shipment;

c. Scheduled time of day for tender at origin and for claim or delivery at destination.

122.3 Pickup and Delivery.

[500.0212] Pickup at the mailer's premises, and/or delivery at an address other than the destination postal facility is provided under terms and conditions as prescribed by the Postal Service.

122.4 [500.042] Commencement of Service Agreement. Service provided pursuant to a service agreement shall commence not more than 10 days after the signed service agreement is tendered to the Postal Service.

122.5 [500.043] Termination of Service Agreement[s]

122.51 Termination by Postal Service. [a.] Express Mail service

provided pursuant to a service agreement may be terminated by the Postal Service upon 10 days' prior written notice to the mailer if:

a. [1.] Service cannot be provided for reasons beyond the control of the Postal Service or because of changes in Postal Service facilities or operations, or

b. [2.] The mailer fails to adhere to the terms of the service agreement or this schedule.

122.52 Termination by Mailers. [b.]

The mailer may terminate a service agreement, for any reason, by notice to the Postal Service.

123 [500.022] Next Day Service and Second Day Service

123.1. Availability of Services.

[500.0221] Next Day and Second Day Services are available at designated retail postal facilities to designated destination facilities or locations for items tendered by the time or times prescribed by the Postal Service.

[500.0222] Next Day Service is available for overnight delivery. [500.0223] Second Day Service is available for second day delivery.

123.2 Pickup Service. [500.0224]

Pickup service is available for Next Day and Second Day Services under terms and conditions as prescribed by the Postal Service. Service shall be offered in a manner consistent with 39 U.S.C. 403(c).

130 [500.03] Physical Limitations

[500.030] Express Mail may not exceed 70 pounds or 108 inches in length and girth combined.

140 Postage and Preparation

[500.081] Except as provided in Rate Schedules 121, 122 and 123, [501, 502 and 503] postage on Express Mail is charged on each piece. For shipments tendered in Express Mail pouches under a service agreement, each pouch is a piece.

150 Deposit and Delivery**151 [500.05] Deposit [of Mail]**

[500.050] Express Mail must be deposited at places designated by the Postal Service.

152 [500.040 Evidence of Mailing] Receipt

A receipt showing the time and date of mailing will be provided to the mailer upon acceptance of Express Mail by the Postal Service. This receipt serves as evidence of mailing.

153 [500.06] Service

[500.060] Express Mail service provides a high speed, high reliability service.

[500.0601] Same Day Airport Express Mail will be dispatched on the next available transportation to the destination airport mail facility.

[500.0602] Custom Designed Express Mail will be available for claim or delivery as specified in the service agreement.

154 [500.07] Forwarding and Return

[500.070] When Express Mail is returned, or forwarded, as prescribed by the Postal Service, there will be no additional charge.

160 Ancillary Services

[500.090] The following services may be obtained in conjunction with mail sent under this classification schedule upon payment of applicable fees:

Service	Schedule
a. Address correction	SS-1
b. Return receipts	SS-16
c. COD	SS-6

170 [500.08] Rates and Fees

[500.080] The rates for Express Mail are set forth in the following rate schedules:

	[Rate] [s] Schedule
a. Same Day Airport	[500] 121
b. Custom Designed	[501] 122
c. Next Day Post Office-to- Post Office	[502] 123
d. Second Day Post Office-to- Post Office	[502] 123
e. Next Day Post Office-to-Ad- dressee	[503] 123

	[Rate] [s] Schedule
f. Second Day Post Office-to- Addressee	[503] 123

180[500.041] Insurance and Indemnity**181 Insurance Coverage**

Express Mail is insured against loss, damage or rifling at no additional charge.

182 Indemnity Coverage**182.1 Payment of Indemnity.**

Indemnity will be paid by the Postal Service as follows:

a. For document reconstruction the maximum liability is \$50,000 per piece, up to \$500,000 per occurrence regardless of the number of claimants, to be paid under terms and conditions prescribed by the Postal Service.

b. For merchandise the maximum liability is \$500 to be paid under terms and conditions prescribed by the Postal Service.

c. For mailings valued at \$15 or less, for negotiable items, or currency or bullion, the indemnity is \$15 to be paid under terms and conditions prescribed by the Postal Service.

182.2 [500.0411] Indemnity Not Available. Indemnity will not be paid by the Postal Service for loss, damage or rifling:

- Of nonmailable matter;
- Due to improper packaging;
- Seizure by any agency of government; or,
- Due to war, insurrection or civil disturbances.

183 [500.044] Insurance Claims And Procedures

Claims for refunds of postage or insurance must be filed within the period of time and under terms and conditions prescribed by the Postal Service.

184 Refunds**184.1 Same Day Airport. [500.045]**

The Postal Service will refund the postage for Same Day Airport Express Mail not available for claim by the time specified, unless the delay is caused by:

- Strikes or work stoppage;
- Delay or cancellation of flights; or
- Governmental action beyond the control of Postal Service or air carriers.

184.2 Custom Designed. [500.046] Except where a service agreement provides for claim, or delivery, of Custom Designed Express Mail more than 24 hours after scheduled tender at point of origin, the Postal Service will refund postage for such mail not available for claim, or not delivered, within 24 hours of mailing, unless the

item was delayed by strike or work stoppage.

184.3 Next Day. [500.047] Unless the item was delayed by strike or work stoppage, the Postal Service will refund postage for Next Day Express Mail not available for claim or not delivered:

a. By 10:00 a.m., or earlier time(s) prescribed by the Postal Service, of the next delivery day in the case of Post Office-to-Post Office service;

b. By 3:00 p.m., or earlier time(s) prescribed by the Postal Service, of the next delivery day in the case of Post Office-to-Addressee service.

184.4 Second Day. [500.048] Unless the item was delayed by strike or work stoppage, the Postal Service will refund postage for Second Day Express Mail not available for claim or not delivered:

a. By 10:00 a.m., or earlier time(s) prescribed by the Postal Service, of the second delivery day in the case of Post Office-to-Post Office service;

b. By 3:00 p.m., or earlier time(s) prescribed by the Postal Service, of the second delivery day in the case of Post Office-to-Addressee service.

Delete Classification Schedule 100, First-Class Mail, in its entirety and replace it with the following:
First-Class Mail Classification Schedule 210 Definition

Any matter eligible for mailing may, at the option of the mailer, be mailed as First-Class Mail. The following must be mailed as First-Class Mail, unless mailed as Express Mail or exempt under title 39, United States Code, or except as authorized under sections 344.12, 344.23 and 443:

a. Mail sealed against postal inspection as set forth in section 5000;

b. Matter wholly or partially in handwriting or typewriting except as specifically permitted by sections 312, 313, 323, 344.22, and 446;

c. Matter having the character of actual and personal correspondence except as specifically permitted by sections 312, 313, 323, 344.22, and 446; and

d. Bills and statements of account.

220 Description of Subclasses**221 Letters and Sealed Parcels Subclass**

221.1 General. The Letters and Sealed Parcels subclass consists of First-Class Mail weighing 11 ounces or less that is not mailed under section 222 or 223.

221.2 Regular Rate Categories. The regular rate categories consist of Letters and Sealed Parcels subclass mail not mailed under section 221.3.

221.21 Single Piece Rate Category. The single piece rate category applies to

regular rate Letters and Sealed Parcels subclass mail not mailed under section 221.22.

221.22 Presort Rate Category. The Presort rate category applies to Letters and Sealed Parcels subclass mail that:

- a. Is prepared in a mailing of at least 500 pieces;
- b. Is presorted, marked, and presented as prescribed by the Postal Service; and
- c. Meets the addressing and other preparation requirements prescribed by the Postal Service.

221.24 Nonstandard Size Surcharge. Regular rate category Letters and Sealed Parcels subclass mail is subject to a surcharge if it is nonstandard size mail, as defined in section 232.

221.25 Presort Discount for Pieces Weighing More Than Two Ounces. Presort rate category Letters and Sealed Parcels subclass mail is eligible for an additional presort discount on each piece weighing more than two ounces.

221.3 Automation Rate Categories

221.31 General. The automation rate categories consist of Letters and Sealed Parcels subclass mail weighing 11 ounces or less that:

- a. Is prepared in a mailing of at least 500 pieces;
- b. Is presorted, marked, and presented as specified by the Postal Service;
- c. Bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service; and
- d. Meets the machinability, addressing, barcoding, and other preparation requirements prescribed by the Postal Service.

221.32 Basic Rate Category. The basic rate category applies to letter-size automation rate category mail not mailed under section 221.33, 221.34, or 221.35.

221.33 Three-Digit Rate Category. The three-digit rate category applies to letter-size automation rate category mail presorted to single or multiple three-digit ZIP Code destinations as prescribed by the Postal Service.

221.34 Five-Digit Rate Category. The five-digit rate category applies to letter-size automation rate category mail presorted to single or multiple five-digit ZIP Code destinations as prescribed by the Postal Service.

221.35 Carrier Route Rate Category. The carrier route rate category applies to letter-size automation rate category mail presorted to carrier routes. It is available only for those carrier routes prescribed by the Postal Service.

221.36 Basic Flats Rate Category. The basic flats rate category applies to flat-size automation rate category mail not mailed under section 221.37.

221.37 Three- and Five-Digit Flats Rate Category. The three- and five-digit flats rate category applies to flat-size automation rate category mail presorted to single or multiple three- and five-digit ZIP Code destinations as specified by the Postal Service.

221.38 Nonstandard Size Surcharge. Flat-size automation rate category pieces are subject to a surcharge if they are nonstandard size mail, as defined in section 232.

221.39 Presort Discount for Pieces Weighing More Than Two Ounces. Presorted automation rate category mail is eligible for an additional presort discount on each piece weighing more than two ounces.

222 Postal and Post Cards Subclass

222.1 Definition

222.11 Postal Card. A postal card is a card with postage imprinted or impressed on it and supplied by the Postal Service for the transmission of messages.

222.12 Post Card. A post card is a privately printed mailing card for the transmission of messages. To be eligible to be mailed as a First-Class post card, a card must be of uniform thickness and must not exceed any of the following dimensions:

- a. 6 inches in length;
- b. 4¼ inches in width;
- c. 0.016 inch in thickness.

222.13 Double Cards. Double postal or post cards may be mailed as postal or post cards. A double postal or post card consists of two attached cards, one of which may be detached by the receiver and returned by mail as a single postal or post card.

222.2 Restriction. A mailpiece with any of the following characteristics is not mailable as a postal or post card unless it is prepared as prescribed by the Postal Service:

- a. Numbers or letters unrelated to postal purposes appearing in the address portion of the card;
- b. Punched holes;
- c. Vertical tearing guide;
- d. An address portion which is smaller than the remainder of the card.

222.3 Regular Rate Categories

222.31 Single Piece Rate Category. The single piece rate category applies to regular rate Postal and Post Cards subclass mail not mailed under section 222.32.

222.32 Presort Rate Category. The presort rate category applies to Postal and Post Cards subclass mail that:

- a. Is prepared in a mailing of at least 500 pieces;
- b. Is presorted, marked, and presented as prescribed by the Postal Service; and

- c. Meets the addressing and other preparation requirements prescribed by the Postal Service.

222.4 Automation Rate Categories

222.41 General. The automation rate categories consist of Postal and Post Cards subclass mail that:

- a. Is prepared in a mailing of at least 500 pieces;
- b. Is presorted, marked, and presented as specified by the Postal Service;
- c. Bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service; and
- d. Meets the machinability, addressing, barcoding, and other preparation requirements prescribed by the Postal Service.

222.42 Basic Rate Category. The basic rate category applies to automation rate category cards not mailed under section 222.43, 222.44, or 222.45.

222.43 Three-Digit Rate Category. The three-digit rate category applies to automation rate category cards presorted to single or multiple three-digit ZIP Code destinations as prescribed by the Postal Service.

222.44 Five-Digit Rate Category. The five-digit rate category applies to automation rate category cards presorted to single or multiple five-digit ZIP Code destinations as prescribed by the Postal Service.

222.45 Carrier Route Rate Category. The carrier route rate category applies to automation rate category cards presorted to carrier routes. It is available only for those carrier routes prescribed by the Postal Service.

223 Priority Mail

223.1 General. The Priority Mail subclass consists of:

- a. First-Class Mail weighing more than 11 ounces; and
- b. Any mailable matter which, at the option of the mailer, is mailed for expeditious mailing and transportation.

223.2 Single Piece Priority Mail Rate Category. The single piece Priority Mail rate category applies to Priority Mail subclass mail not mailed under section 223.3.

223.3 Presorted Priority Mail Rate Category. The presorted Priority Mail rate category applies to Priority Mail subclass mail that:

- a. Is prepared in a mailing of at least 300 pieces;
- b. Is presorted, marked, and presented as prescribed by the Postal Service; and
- c. Meets the machinability, addressing, and other preparation requirements prescribed by the Postal Service.

223.4 Flat Rate Envelope. Priority Mail subclass mail sent in a "flat rate" envelope provided by the Postal Service is charged the two-pound rate.

223.5 Pickup Service. Pickup service is available for Priority Mail subclass mail under terms and conditions prescribed by the Postal Service.

223.6 Bulky Parcels. Priority Mail subclass mail weighing less than 15 pounds, and measuring over 84 inches in length and girth combined, is charged a minimum rate equal to that for a 15-pound parcel for the zone to which the piece is addressed.

230 Physical Limitations

231 Size and Weight

First-Class Mail may not exceed 70 pounds or 108 inches in length and girth combined. Additional size and weight limitations apply to individual First-Class Mail subclasses.

232 Nonstandard Size Mail

Letters and Sealed Parcels subclass mail weighing one ounce or less is nonstandard size if:

a. Its aspect ratio does not fall between 1 to 1.3 and 1 to 2.5 inclusive; or

b. It exceeds any of the following dimensions:

- i. 11.5 inches in length;
- ii. 6.125 inches in width; or
- iii. 0.25 inch in thickness.

240 Postage and Preparation

Postage on First-Class Mail must be paid as set forth in section 3000. Postage is computed separately on each piece of mail. Pieces not within the same postage rate increment may be mailed at other than a single piece rate as part of the same mailing only when specific methods approved by the Postal Service for ascertaining and verifying postage are followed. All mail mailed at other than a single piece rate must have postage paid in a manner not requiring cancellation.

250 Deposit and Delivery

251 Deposit

First-Class Mail must be deposited at places and times designated by the Postal Service.

252 Service

First-Class Mail receives expeditious handling and transportation, except that when First-Class Mail is attached to or enclosed with mail of another class, the service of that class applies.

253 Forwarding and Return

First-Class Mail that is undeliverable-as-addressed is forwarded or returned to the sender without additional charge.

260 Ancillary Services

First-Class Mail, except as otherwise noted, will receive the following additional services upon payment of the fees prescribed in the corresponding schedule:

Service	Schedule
a. Address correction	SS-1
b. Business reply mail	SS-2
c. Certificates of mailing	SS-4
d. Certified mail	SS-5
e. COD	SS-6
f. Insured mail	SS-9
g. Registered mail	SS-14
h. Special delivery	SS-17
i. Return receipt (merchandise only)	SS-16
j. Merchandise return	SS-20

270 Rates and Fees

The rates and fees for First-Class Mail are set forth in the following rate schedules:

	Schedule
a. Letters and Sealed Parcels	221
b. Postal and Post Cards	222
c. Priority Mail	223
d. Fees	1000

280 Authorizations and Licenses

The fee set forth in Rate Schedule 1000 must be paid once each year at each office of mailing by any person who mails other than single piece First-Class Mail. Payment of the fee allows the mailer to mail at any First-Class rate. Delete in their entirety Classification Schedules 300 and 400, Third-Class Mail and Fourth-Class Mail, with the exception of section 400.0202, and replace them with the following:

Standard Mail Classification Schedule

310 Definition

311 General

Anyailable matter may be mailed as Standard Mail except:

a. Matter required to be mailed as First-Class Mail;

b. Copies of a publication that is entered as Periodicals class mail, except copies sent by a printer to a publisher, and except copies that would have traveled at the former second-class transient rate. (The transient rate applied to individual copies of second-class mail forwarded and mailed by the public, as well as to certain sample copies mailed by publishers.)

312 Printed Matter

Printed matter, including printed letters which according to internal evidence are being sent in identical terms to several persons, but which do not have the character of actual or

personal correspondence, may be mailed as Standard Mail. Printed matter does not lose its character as Standard Mail when the date and name of the addressee and of the sender are written thereon. For the purposes of the Standard Mail Classification Schedule, "printed" does not include reproduction by handwriting or typewriting.

313 Written Additions

Standard Mail may have the following written additions placed on the wrapper, on a tag or label attached to the outside of the parcel, or inside the parcel, either loose or attached to the article:

a. Marks, numbers, name, or letters descriptive of contents;

b. "Please Do Not Open Until Christmas," or words of similar import;

c. Instructions and directions for the use of an article in the package;

d. Manuscript dedication or inscription not in the nature of personal correspondence;

e. Marks to call attention to any word or passage in text;

f. Corrections of typographical errors in printed matter;

g. Manuscripts accompanying related proof sheets, and corrections in proof sheets to include: corrections of typographical and other errors, alterations of text, insertion of new text, marginal instructions to the printer, and rewrites of parts if necessary for correction;

h. Handstamped imprints, except when the added matter is itself personal or converts the original matter to a personal communication;

i. An invoice.

320 Description of Subclasses

321 Subclasses Limited to Mail Weighing Less than 16 Ounces

321.1 Single Piece Subclass.

321.11 Definition. The Single Piece subclass consists of Standard Mail weighing less than 16 ounces that is not mailed under sections 321.2, 321.3, 321.4 or 323.

321.12 Basic Rate Category. The basic rate category applies to Single Piece subclass mail not mailed under section 321.13.

321.13 Keys and Identification Devices Rate Category. The keys and identification devices rate category applies to keys, identification cards, identification tags, or similar identification devices mailed without cover, and which bear, contain, or have securely attached the name and complete address of a person, organization, or concern, with

instructions to return to such address and a statement guaranteeing the payment of postage due on delivery.

321.14 **Nonstandard Size Surcharge.** Single Piece subclass mail, other than that mailed under section 321.13, is subject to a surcharge if it is nonstandard size mail, as defined in section 333.3

321.2 **Regular Subclass.**

321.21 **Definition.** The Regular subclass consists of Standard Mail weighing less than 16 ounces that is not mailed under sections 321.1, 321.3, 321.4 or 323, and that:

- a. Is prepared in a mailing of at least 200 addressed pieces or 50 pounds of addressed pieces;
- b. Is presorted, marked, and presented as prescribed by the Postal Service; and
- c. Meets the machinability, addressing, and other preparation requirements prescribed by the Postal Service.

321.22 **Regular Rate Categories.**

321.221 **Basic Sortation Rate Category.** Mailers must sort Regular subclass mail as prescribed by the Postal Service. Mail which is not presorted to three-digit or five-digit ZIP Code areas or to carrier routes qualifies for the basic rates in Rate Schedule 321.2A.

321.222 **Basic Sortation, Pre-Barcoded Rate Category.** The basic sortation, pre-barcoded rate category applies to mail mailed under section 321.21 which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications, and other preparation requirements prescribed by the Postal Service.

321.223 **Three- and Five-Digit Presort Level Rate Category.** The three- and five-digit presort level rate category applies to Regular subclass mail presorted to single or multiple three- and five-digit ZIP Code destinations, as prescribed by the Postal Service.

321.224 **Three-Digit Presort Level, Pre-Barcoded Rate Category.** The three-digit presort level, pre-barcoded rate category applies to letter-size mail mailed under section 321.21 which is presorted to three digits, which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.

321.225 **Five-Digit Presort Level, Pre-Barcoded Rate Category.** The five-digit presort level, pre-barcoded rate category applies to letter-size mail mailed under

section 321.21 which is presorted to five digits, which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.

321.226 **Three- and Five-Digit Presort Level, Pre-Barcoded Rate Category.** The three- and five-digit presort level, pre-barcoded rate category applies to flat-size mail mailed under section 321.21 which is presorted to single or multiple three- and five-digit ZIP Code destinations as prescribed by the Postal Service, which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.

321.23 **Destination Entry Discounts.** Destination entry discounts apply to Regular subclass mail prepared as prescribed by the Postal Service and addressed for delivery within the service area of the BMC (or auxiliary service facility), or sectional center facility (SCF), at which it is entered, as defined by the Postal Service.

321.3 **Enhanced Carrier Route Subclass.**

321.31 **Definition.** The Enhanced Carrier Route subclass consists of Standard Mail weighing less than 16 ounces that is not mailed under section 321.1, 321.2, 321.4 or 323, and that:

- a. Is prepared in a mailing of at least 200 addressed pieces or 50 pounds of addressed pieces;
- b. Is prepared, marked, and presented as prescribed by the Postal Service;
- c. Is presorted to carrier routes as prescribed by the Postal Service;
- d. Is sequenced as prescribed by the Postal Service; and
- e. Meets the machinability, addressing, and other preparation requirements prescribed by the Postal Service.

321.32 **Basic Rate Category.** The basic rate category applies to Enhanced Carrier Route subclass mail not mailed under section 321.33, 321.34 or 321.35.

321.33 **Basic Pre-Barcoded Rate Category.** The basic pre-barcoded rate category applies to letter-size Enhanced Carrier Route subclass mail which bears a barcode representing not more than 11 digits (not including "correction" digits), as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other

preparation requirements prescribed by the Postal Service.

321.34 **High Density Rate Category.** The high density rate category applies to Enhanced Carrier Route subclass mail presented in walk-sequence order and meeting the high density requirements prescribed by the Postal Service.

321.35 **Saturation Rate Category.** The saturation rate category applies to Enhanced Carrier Route subclass mail presented in walk-sequence order and meeting the saturation requirements prescribed by the Postal Service.

321.36 **Destination Entry Discounts.** Destination entry discounts apply to Enhanced Carrier Route subclass mail prepared as prescribed by the Postal Service and addressed for delivery within the service area of the BMC (or auxiliary service facility), sectional center facility (SCF), or destination delivery unit (DDU) at which it is entered, as defined by the Postal Service.

321.4 **Nonprofit Subclass.**

321.41 **Definition.**

321.411 **General.** The Nonprofit subclass consists of Standard Mail weighing less than 16 ounces that is not mailed under section 321.1, 321.2, 321.3 or 323, and that is prepared in quantities of at least 50 pounds or 200 pieces, presorted and marked as prescribed by the Postal Service, and mailed by authorized nonprofit organizations or associations of the following types:

- a. Religious,
- b. Educational,
- c. Scientific,
- d. Philanthropic,
- e. Agricultural,
- f. Labor,
- g. Veterans',
- h. Fraternal,
- i. Qualified political committees.

321.412 **Nonprofit Organizations and Associations.** Nonprofit organizations or associations are organizations or associations not organized for profit, none of the net income of which benefits any private stockholder or individual, and which meet the qualifications set forth below for each type of organization or association. The standard of primary purpose applies to each type of organization or association, except veterans' and fraternal. The standard of primary purpose requires that each type of organization or association be both organized and operated for the primary purpose. The following are the types of organizations or associations which may qualify as authorized nonprofit organizations or associations.

a. Religious. A nonprofit organization whose primary purpose is one of the following:

i. To conduct religious worship;

ii. To support the religious activities of nonprofit organizations whose primary purpose is to conduct religious worship;

iii. To perform instruction in, to disseminate information about, or otherwise to further the teaching of particular religious faiths or tenets.

b. Educational. A nonprofit organization whose primary purpose is one of the following:

i. The instruction or training of the individual for the purpose of improving or developing his capabilities;

ii. The instruction of the public on subjects beneficial to the community. An organization may be educational even though it advocates a particular position or viewpoint so long as it presents a sufficiently full and fair exposition of the pertinent facts to permit an individual or the public to form an independent opinion or conclusion. On the other hand, an organization is not educational if its principal function is the mere presentation of unsupported opinion.

c. Scientific. A nonprofit organization whose primary purpose is one of the following:

i. To conduct research in the applied, pure or natural sciences;

ii. To disseminate systematized technical information dealing with applied, pure or natural sciences.

d. Philanthropic. A nonprofit organization primarily organized and operated for purposes beneficial to the public. Philanthropic organizations include, but are not limited to, organizations which are organized for:

i. Relief of the poor and distressed or of the underprivileged;

ii. Advancement of religion;

iii. Advancement of education or science;

iv. Erection or maintenance of public buildings, monuments, or works;

v. Lessening of the burdens of government;

vi. Promotion of social welfare by organizations designed to accomplish any of the above purposes or:

(A) To lessen neighborhood tensions;

(B) To eliminate prejudice and discrimination;

(C) To defend human and civil rights secured by law; or

(D) To combat community deterioration and juvenile delinquency.

e. Agricultural. A nonprofit organization whose primary purpose is the betterment of the conditions of those engaged in agricultural pursuits, the improvement of the grade of their

products, and the development of a higher degree of efficiency in agriculture. The organization may advance agricultural interests through educational activities; the holding of agricultural fairs; the collection and dissemination of information concerning cultivation of the soil and its fruits or the harvesting of marine resources; the rearing, feeding, and management of livestock, poultry, and bees, or other activities relating to agricultural interests. The term agricultural nonprofit organization also includes any nonprofit organization whose primary purpose is the collection and dissemination of information or materials relating to agricultural pursuits.

f. Labor. A nonprofit organization whose primary purpose is the betterment of the conditions of workers. Labor organizations include, but are not limited to, organizations in which employees or workmen participate, whose primary purpose is to deal with employers concerning grievances, labor disputes, wages, hours of employment and working conditions.

g. Veterans'. A nonprofit organization of veterans of the armed services of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization.

h. Fraternal. A nonprofit organization which meets all of the following criteria:

i. Has as its primary purpose the fostering of brotherhood and mutual benefits among its members;

ii. Is organized under a lodge or chapter system with a representative form of government;

iii. Follows a ritualistic format; and

iv. Is comprised of members who are elected to membership by vote of the members.

i. Qualified political committees. The term "qualified political committee" means a national or State committee of a political party, the Republican and Democratic Senatorial Campaign Committees, the Democratic National Congressional Committee, and the National Republican Congressional Committee:

i. The term "national committee" means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the national level; and

ii. The term "State committee" means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the State level.

321.413 *Limitation on Authorization.* An organization authorized to mail at the nonprofit

Standard rates for qualified nonprofit organizations may mail only its own matter at these rates. An organization may not delegate or lend the use of its permit to mail at special Standard rates to any other person, organization or association.

321.42 Nonprofit Rate Categories.

321.421 *Basic Sortation Rate*

Category. Mailers must sort Nonprofit subclass mail as prescribed by the Postal Service. Mail which is not presorted to three-digit or five-digit ZIP Code areas or to carrier routes qualifies for the basic rates in Rate Schedule 321.4.

321.422 *Basic Sortation, ZIP + 4*

Rate Category. The basic sortation, ZIP + 4 rate category applies to mail mailed under section 321.421 which bears a proper ZIP + 4 code and which meets the machinability, address readability and other preparation requirements prescribed by the Postal Service.

321.423 *Basic Sortation, Pre-Barcoded Rate Category.* The basic sortation, pre-barcoded rate category applies to mail mailed under section 321.421 which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.

321.424 *Three- and Five-Digit*

Presort Level Rate Category. The three- and five-digit presort level rate category applies to Nonprofit subclass mail which is presorted to three-digit or five-digit ZIP Code areas. The mail must be prepared in the manner prescribed by the Postal Service.

321.425 *Three- and Five-Digit*

Presort Level, ZIP + 4 Rate Category. The three- and five-digit presort level, ZIP + 4 rate category applies to mail mailed under section 321.424 which bears a proper ZIP + 4 code and which meets the machinability, address readability and other preparation requirements prescribed by the Postal Service.

321.426 *Three-Digit Presort Level, Pre-Barcoded Rate Category.* The three-

digit presort level, pre-barcoded rate category applies to mail mailed under section 321.424 which is presorted to three digits, which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.

321.427 *Five-Digit Presort Level, Pre-Barcoded Rate Category.* The five-digit presort level, pre-barcoded rate category

applies to mail mailed under section 321.424 which is presorted to five digits, which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications, and other preparation requirements prescribed by the Postal Service.

321.428 Carrier Route Presort Level Rate Category. The carrier route presort level rate category applies to Nonprofit subclass mail which is presorted to a carrier route, with at least 10 pieces to each carrier route. The mail must be prepared in the manner prescribed by the Postal Service.

321.429 Pre-barcoded Flats Rate Category. The pre-barcoded flats rate category applies to Nonprofit subclass flat size pieces which are properly prepared and presorted, bear a barcode as prescribed by the Postal Service, and meet the flats machinability and address readability specifications of the Postal Service. Such flats must be presented for mailing in a manner which does not require cancellation.

321.43 Nonprofit Subclass Discounts.

321.431 Saturation Discount. The saturation discount applies to Nonprofit subclass mail presented in a carrier route presort mailing which is walk sequenced and which meets the saturation and preparation requirements prescribed by the Postal Service.

321.432 125-Piece Walk-sequence Discount. The 125-piece walk-sequence discount applies to Nonprofit subclass mail presented in a carrier route presort mailing which is walk sequenced and contains a minimum of 125 pieces per carrier route, and which meets the preparation requirements prescribed by the Postal Service.

321.433 Destination Entry Discount. The destination entry discount applies to Nonprofit subclass mail which is destined for delivery within the service area of the BMC (or auxiliary service facility), sectional center facility (SCF), or destination delivery unit (DDU) at which it is entered, as defined by the Postal Service.

322 Subclasses Limited to Mail Weighing 16 Ounces or More.

322.1 Parcel Post Subclass.

322.11 Definition. The Parcel Post subclass consists of Standard Mail weighing 16 ounces or more that is not mailed under sections 322.3, 323.1, or 323.2.

322.12 Basic Rate Category. The basic rate category applies to all Parcel

Post subclass mail not mailed under sections 322.13 or 322.14.

322.14 Destination BMC Rate Category. Parcel Post subclass mail is eligible for destination BMC rates if it is included in a mailing of at least 50 pieces deposited at the destination BMC, auxiliary service facility, or other equivalent facility, as prescribed by the Postal Service.

322.15 Intra-BMC Discount. Basic rate category Parcel Post subclass mail is eligible for the intra-BMC discount if it originates and destines within the same BMC or auxiliary service facility service area, Alaska, Hawaii or Puerto Rico.

322.16 Nonmachinable Surcharge. Basic rate category Parcel Post subclass mail that does not meet machinability criteria prescribed by the Postal Service is subject to a nonmachinable surcharge.

322.17 Pickup Service. Pickup service is available for Parcel Post subclass mail under terms and conditions prescribed by the Postal Service.

322.2 [Reserved]

322.3 Bound Printed Matter Subclass.

322.31 Definition. The Bound Printed Matter subclass consists of Standard Mail weighing at least 16 ounces, but not more than 10 pounds, which:

a. Consists of advertising, promotional, directory, or editorial material, or any combination thereof;

b. Is securely bound by permanent fastenings including, but not limited to, staples, spiral bindings, glue, and stitching; loose leaf binders and similar fastenings are not considered permanent;

c. Consists of sheets of which at least 90 percent are imprinted with letters, characters, figures or images or any combination of these, by any process other than handwriting or typewriting;

d. Does not have the nature of personal correspondence;

e. Is not stationery, such as pads of blank printed forms.

322.32 Single Piece Rate Category. The single piece rate category applies to Bound Printed Matter subclass mail which is not mailed under section 322.33 or 322.34.

322.33 Bulk Rate Category. The bulk rate category applies to Bound Printed Matter subclass mail prepared in a mailing of at least 300 pieces, prepared and presorted as prescribed by the Postal Service.

322.34 Carrier Route Presort Rate Category. The carrier route rate category applies to Bound Printed Matter subclass mail prepared in a mailing of at least 300 pieces of carrier route

presorted mail, prepared and presorted as prescribed by the Postal Service.

323 Subclasses With No 16-Ounce Limitation

323.1 Special Subclass.

323.11 Definition. The Special subclass consists of Standard Mail of the following types:

a. Books, including books issued to supplement other books, of at least eight printed pages, consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations, and containing no advertising matter other than incidental announcements of books. Not more than three of the announcements may contain as part of their format a single order form, which may also serve as a post card. The order forms permitted in this subsection are in addition to and not in lieu of order forms which may be enclosed by virtue of any other provision;

b. 16 millimeter or narrower width films which must be positive prints in final form for viewing, and catalogs of such films, of 24 pages or more, at least 22 of which are printed, except when sent to or from commercial theaters;

c. Printed music, whether in bound form or in sheet form;

d. Printed objective test materials and accessories thereto used by or in behalf of educational institutions in the testing of ability, aptitude, achievement, interests and other mental and personal qualities with or without answers, test scores or identifying information recorded thereon in writing or by mark;

e. Sound recordings, including incidental announcements of recordings and guides or scripts prepared solely for use with such recordings. Not more than three of the announcements permitted in this subsection may contain as part of their format a single order form, which may also serve as a post card. The order forms permitted in this subsection are in addition to and not in lieu of order forms which may be enclosed by virtue of any other provision;

f. Playscripts and manuscripts for books, periodicals and music;

g. Printed educational reference charts, permanently processed for preservation;

h. Printed educational reference charts, including but not limited to

i. Mathematical tables,

ii. Botanical tables,

iii. Zoological tables, and

iv. Maps produced primarily for educational reference purposes;

i. Looseleaf pages and binders therefor, consisting of medical information for distribution to doctors,

hospitals, medical schools, and medical students; and

j. Computer-readable media containing prerecorded information and guides or scripts prepared solely for use with such media.

323.12 *Single Piece Rate Category.* The single piece rate category applies to Special subclass mail not mailed under section 323.13 or 323.14.

323.13 *Level A Presort Rate Category.* The Level A presort rate category applies to mailings of at least 500 pieces of Special subclass mail, prepared and presorted to five-digit destination ZIP Codes as prescribed by the Postal Service.

323.14 *Level B Presort Rate Category.* The Level B presort rate category applies to mailing of at least 500 pieces of Special subclass mail, prepared and presorted to destination Bulk Mail Centers as prescribed by the Postal Service.

323.2 *Library Subclass.*

323.21 *Definition.*

323.211 *General.* The Library subclass consists of Standard Mail of the following types, separated or presorted as prescribed by the Postal Service:

a. Matter designated in subsection 323.213, loaned or exchanged (including cooperative processing by libraries) between:

i. Schools or colleges, or universities;
ii. Public libraries, museums and herbaria, nonprofit religious, educational, scientific, philanthropic, agricultural, labor, veterans' or fraternal organizations or associations, or between such organizations and their members, readers or borrowers.

b. Matter designated in subsection 323.214, mailed to or from schools, colleges, universities, public libraries, museums and herbaria and to or from nonprofit religious, educational, scientific, philanthropic, agricultural, labor, veterans' or fraternal organizations or associations; or
c. Matter designated in subsection 323.215, mailed from a publisher or a distributor to a school, college, university or public library.

323.212 *Definition of Nonprofit Organizations and Associations.* Nonprofit organizations or associations are organizations or associations not organized for profit, none of the net income of which benefits any private stockholder or individual, and which meet the qualifications set forth below for each type of organization or association. The standard of primary purpose applies to each type of organization or association, except veterans' and fraternal. The standard of primary purposes requires that each type of organization or association be

both organized and operated for the primary purpose. The following are the types of organizations or associations which may qualify as authorized nonprofit organizations or associations:

a. Religious. A nonprofit organization whose primary purpose is one of the following:

i. To conduct religious worship;
ii. To support the religious activities of nonprofit organizations whose primary purpose is to conduct religious worship;

iii. To perform instruction in, to disseminate information about, or otherwise to further the teaching of particular religious faiths or tenets.

b. Educational. A nonprofit organization whose primary purpose is one of the following:

i. The instruction or training of the individual for the purpose of improving or developing his capabilities;

ii. The instruction of the public on subjects beneficial to the community.

An organization may be educational even though it advocates a particular position or viewpoint so long as it presents a sufficiently full and fair exposition of the pertinent facts to permit an individual or the public to form an independent opinion or conclusion. On the other hand, an organization is not educational if its principal function is the mere presentation of unsupported opinion.

c. Scientific. A nonprofit organization whose primary purpose is one of the following:

i. To conduct research in the applied, pure or natural sciences;

ii. To disseminate systematized technical information dealing with applied, pure or natural sciences.

d. Philanthropic. A nonprofit organization primarily organized and operated for purposes beneficial to the public. Philanthropic organizations include, but are not limited to, organizations which are organized for:

i. Relief of the poor and distressed or of the underprivileged;

ii. Advancement of religion;

iii. Advancement of education or science;

iv. Erection or maintenance of public buildings, monuments, or works;

v. Lessening of the burdens of government;

vi. Promotion of social welfare by organizations designed to accomplish any of the above purposes or:

(A) To lessen neighborhood tensions;

(B) To eliminate prejudice and

discrimination;

(C) To defend human and civil rights secured by law; or

(D) To combat community deterioration and juvenile delinquency.

e. Agricultural. A nonprofit organization whose primary purpose is the betterment of the conditions of those engaged in agricultural pursuits, the improvement of the grade of their products, and the development of a higher degree of efficiency in agriculture. The organization may advance agricultural interests through educational activities; the holding of agricultural fairs; the collection and dissemination of information concerning cultivation of the soil and its fruits or the harvesting of marine resources; the rearing, feeding, and management of livestock, poultry, and bees, or other activities relating to agricultural interests. The term agricultural nonprofit organization also includes any nonprofit organization whose primary purpose is the collection and dissemination of information or materials relating to agricultural pursuits.

f. Labor. A nonprofit organization whose primary purpose is the betterment of the conditions of workers. Labor organizations include, but are not limited to, organizations in which employees or workmen participate, whose primary purpose is to deal with employers concerning grievances, labor disputes, wages, hours of employment and working conditions.

g. Veterans'. A nonprofit organization of veterans of the armed services of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization.

h. Fraternal. A nonprofit organization which meets all of the following criteria:

i. Has as its primary purpose the fostering of brotherhood and mutual benefits among its members;

ii. Is organized under a lodge or chapter system with a representative form of government;

iii. Follows a ritualistic format; and

iv. Is comprised of members who are elected to membership by vote of the members.

323.213 *Library subclass mail under section 323.211a.* Matter eligible for mailing as Library subclass mail under section 323.211a consists of:

a. Books consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations and containing no advertising other than incidental announcements of books;

b. Printed music, whether in bound form or in sheet form;

c. Bound volumes of academic theses in typewritten or other duplicated form;

d. Periodicals, whether bound or unbound;

e. Sound recordings;

f. Other library materials in printed, duplicated or photographic form or in the form of unpublished manuscripts; and

g. Museum materials, specimens, collections, teaching aids, printed matter and interpretative materials intended to inform and to further the educational work and interest of museums and herbaria.

323.214 *Library subclass mail under section 323.211b.* Matter eligible for mailing as Library subclass mail under section 323.211b consists of:

a. 16-millimeter or narrower width films; filmstrips; transparencies; slides; microfilms; all of which must be positive prints in final form for viewing;

b. Sound recordings;

c. Museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the educational work and interests of museums and herbaria;

d. Scientific or mathematical kits, instruments or other devices;

e. Catalogs of the materials in section 323.214 a through d and guides or scripts prepared solely for use with such materials.

323.215 *Library subclass mail under section 323.211c.* Matter eligible for mailing as Library subclass mail under section 323.211c consists of books, including books to supplement other books, consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations, and containing no advertising matter other than incidental announcements of books.

323.22 *Basic Rate Category.* The basic rate category applies to all Library subclass mail.

330 Physical Limitations

331 Size

Standard Mail may not exceed 108 inches in length and girth combined. Additional size limitations apply to individual Standard Mail subclasses. The maximum size for mail presorted to carrier route in the Enhanced Carrier Route and Nonprofit subclasses is 14 inches in length, 11.75 inches in width, and 0.75 inch in thickness. For merchandise samples mailed with detached address cards, the carrier route maximum dimensions apply to the detached address cards and not to the samples.

332 Weight

Standard Mail may not weigh more than 70 pounds. Additional weight limitations apply to individual Standard Mail subclasses.

333 Nonstandard Size Mail

Single Piece subclass mail weighing one ounce or less is nonstandard size if:

a. Its aspect ratio does not fall between 1 to 1.3 and 1 to 2.5 inclusive; or

b. It exceeds any of the following dimensions:

i. 11.5 inches in length;

ii. 6.125 inches in width; or

iii. 0.25 inch in thickness.

340 Postage and Preparation

341 Postage

Postage must be paid as set forth in section 3000. When the postage computed at a Single Piece, Regular, Enhanced Carrier Route or Nonprofit Standard rate is higher than the rate prescribed in any of the Standard subclasses listed in 322 or 323 for which the piece also qualifies (or would qualify, except for weight), the piece is eligible for the applicable lower rate. All mail mailed at a bulk or presort rate must have postage paid in a manner not requiring cancellation.

342 Preparation

All pieces in a Standard mailing must be separately addressed. All pieces in a Standard mailing must be identified as prescribed by the Postal Service, and must contain the ZIP Code of the addressee when prescribed by the Postal Service. All Standard mailings must be prepared and presented as prescribed by the Postal Service. Two or more Standard mailings may be commingled and mailed only when specific methods approved by the Postal Service for ascertaining and verifying postage are followed.

343 Non-Identical Pieces

Pieces not identical in size and weight may be mailed at a bulk or presort rate as part of the same mailing only when specific methods approved by the Postal Service for ascertaining and verifying postage are followed.

344 Attachments and Enclosures

344.1 *Single Piece, Regular, Enhanced Carrier Route, and Nonprofit Subclasses (section 321).*

344.11 *General.* First-Class Mail may be attached to or enclosed in Standard books, catalogs, and merchandise entered under section 321. The piece must be marked as prescribed by the Postal Service. Except as provided in section 344.12, additional postage must be paid for the attachment or enclosure as if it had been mailed separately. Otherwise, the entire combined piece is subject to the First-Class rate for which it qualifies.

344.12 *Incidental First-Class Attachments and Enclosures.* First-Class Mail, as defined in section 210 b through d, may be attached to or enclosed with Standard merchandise entered under section 321, including books but excluding merchandise samples, with postage paid on the combined piece at the applicable Standard rate, if the attachment or enclosure is incidental to the piece to which it is attached or with which it is enclosed.

344.2 *Parcel Post, Bound Printed Matter, Special, and Library Subclasses (sections 322 and 323).*

344.21 *General.* First-Class Mail or Standard Mail from any of the subclasses listed in section 321 (Single Piece, Regular, Enhanced Carrier Route or Nonprofit) may be attached to or enclosed in Standard Mail mailed under sections 322 and 323. The piece must be marked as prescribed by the Postal Service. Except as provided in sections 344.22 and 344.23, additional postage must be paid for the attachment or enclosure as if it had been mailed separately. Otherwise, the entire combined piece is subject to the First-Class or section 321 Standard rate for which it qualifies (unless the rate applicable to the host piece is higher), or, if a combined piece with a section 321 Standard Mail attachment or enclosure weighs 16 ounces or more, the piece is subject to the Parcel Post rate for which it qualifies.

344.22 *Specifically Authorized Attachments and Enclosures.* Standard Mail mailed under sections 322 and 323 may contain enclosures and attachments as prescribed by the Postal Service and as described in section 323.11 a and e, with postage paid on the combined piece at the Standard rate applicable to the host piece.

344.23 *Incidental First-Class Attachments and Enclosures.* First-Class Mail that meets one or more of the definitions in section 210 b through d, may be attached to or enclosed with Standard Mail mailed under section 322 or 323, with postage paid on the combined piece at the Standard rate applicable to the host piece, if the attachment or enclosure is incidental to the piece to which it is attached or with which it is enclosed.

350 Deposit and Delivery

351 Deposit

Standard Mail must be deposited at places and times designated by the Postal Service.

352 Service

Standard Mail may receive deferred service.

353 Forwarding and Return

353.1 Single Piece, Regular, Enhanced Carrier Route, and Nonprofit Subclasses (section 321).

Undeliverable-as-addressed Standard Mail mailed under section 321 will be returned on request of the mailer, or forwarded and returned on request of the mailer. Undeliverable-as-addressed combined First-Class and Standard pieces will be returned as prescribed by the Postal Service. The Single Piece Standard rate is charged for each piece receiving return only service. Charges for forwarding-and-return service are assessed only on those pieces which cannot be forwarded and are returned. The charge for those returned pieces is the appropriate Single Piece Standard rate for the piece plus that rate multiplied by a factor equal to the number of section 321 Standard pieces nationwide that are successfully forwarded for every one piece that cannot be forwarded and must be returned.

353.2 Parcel Post, Bound Printed Matter, Special, and Library Subclasses (sections 322 and 323).

Undeliverable-as-addressed Standard Mail mailed under sections 322 and 323 will be forwarded on request of the addressee, returned on request of the mailer, or forwarded and returned on request of the mailer. Pieces which combine Standard Mail from one of the subclasses described in 322 and 323 with First-Class Mail or Standard Mail from one of the subclasses described in 321 will be forwarded if undeliverable-as-addressed, and returned if undeliverable, as prescribed by the Postal Service. When Standard Mail mailed under sections 322 and 323 is forwarded or returned from one post office to another, additional charges will be based on the appropriate Single Piece Standard rate.

360 Ancillary Services**361 All Subclasses**

All Standard Mail will receive the following services upon payment of the appropriate fees:

Service	Schedule
a. Address correction	SS-1
b. Certificates of mailing indicating that a specified number of pieces have been mailed.	SS-4

Certificates of mailing are not available for Regular, Enhanced Carrier Route, and Nonprofit subclass mail when postage is paid by permit imprint.

362 Single Piece, Parcel Post, Bound Printed Matter, Special, and Library Subclasses

Single Piece, Parcel Post, Bound Printed Matter, Special, and Library subclass mail will receive the following additional services upon payment of the appropriate fees:

Service	Schedule
a. Certificates of mailing	SS-4
b. COD	SS-6
c. Insured mail	SS-9
d. Special delivery	SS-17
e. Special handling	SS-18
f. Return receipt (merchandise only).	SS-16
g. Merchandise return	SS-20

Insurance, special delivery, special handling, and COD services may not be used selectively for individual pieces in a multi-piece Parcel Post subclass mailing unless specific methods approved by the Postal Service for ascertaining and verifying postage are followed.

370 Rates and Fees

The rates and fees for Standard Mail are set forth as follows:

	Schedule
a. Single Piece subclass	321.1
b. Regular subclass	321.2
c. Enhanced Carrier Route subclass.	321.3
d. Nonprofit subclass	321.4
e. Parcel Post subclass:	
Basic	322.1A
Destination BMC	322.1B
f. Bound Printed Matter subclass:	
Single Piece	322.3A
Bulk and Carrier Route	322.3B
g. Special subclass	323.1
h. Library subclass	323.2
i. Fees	1000

380 Authorizations and Licenses**381 Regular, Enhanced Carrier Route, and Nonprofit Subclasses**

A mailing fee as set forth in Rate Schedule 1000 must be paid once each year by mailers of Regular, Enhanced Carrier Route, and Nonprofit subclass mail.

382 Special Subclass

A presort mailing fee as set forth in Rate Schedule 1000 must be paid once each year at each office of mailing by or for any person who mails presorted Special subclass mail. Any person who engages a business concern or other individuals to mail presorted Special subclass mail must pay the fee.

383 Parcel Post Subclass

A mailing fee as set forth in Rate Schedule 1000 must be paid once each year by mailers of Destination BMC rate category mail in the Parcel Post subclass.

Delete Classification Schedule 200, Second-Class Mail, in its entirety and replace it with the following:

Periodicals Classification Schedule**410 Definition****411 General Requirements**

411.1 Definition. A publication may qualify for mailing under the Periodicals Classification Schedule if it meets all of the requirements in sections 411.2 through 411.5 and the requirements for one of the qualification categories in sections 412 through 415. Eligibility for specific Periodicals rates is prescribed in section 420.

411.2 Periodicals. Periodicals class mail is mailable matter consisting of newspapers and other periodical publications. The term "periodical publications" includes, but is not limited to:

a. Any catalog or other course listing including mail announcements of legal texts which are part of post-bar admission education issued by any institution of higher education or by a nonprofit organization engaged in continuing legal education.

b. Any looseleaf page or report (including any index, instruction for filing, table, or sectional identifier which is an integral part of such report) which is designed as part of a looseleaf reporting service concerning developments in the law or public policy.

411.3 Issuance.

411.31 Regular Issuance. Periodicals class mail must be regularly issued at stated intervals at least four times a year, bear a date of issue, and be numbered consecutively.

411.32 Separate Publication. For purposes of determining Periodicals rate eligibility, an "issue" of a newspaper or other periodical shall be deemed to be a separate publication when the following conditions exist:

a. The issue is published at a regular frequency more often than once a month either on (1) the same day as another regular issue of the same publication; or (2) on a day different from regular issues of the same publication, and

b. More than 10 percent of the total number of copies of the issue is distributed on a regular basis to recipients who do not subscribe to it or request it, and

c. The number of copies of the issue distributed to nonsubscribers or

nonrequesters is more than twice the number of copies of any other issue distributed to nonsubscribers or nonrequesters on that same day, or, if no other issue that day, any other issue distributed during the same period. "During the same period" shall be defined as the periods of time ensuing between the distribution of each of the issues whose eligibility is being examined. Such separate publications must independently meet the qualifications for Periodicals eligibility.

411.4 Office of Publication. Periodicals class mail must have a known office of publication. A known office of publication is a public office where business of the publication is transacted during the usual business hours. The office must be maintained where the publication is authorized original entry.

411.5 Printed Sheets. Periodicals class mail must be formed of printed sheets. It may not be reproduced by stencil, mimeograph, or hectograph processes, or reproduced in imitation of typewriting. Reproduction by any other printing process is permissible. Any style of type may be used.

412 General Publications

412.1 Definition. To qualify as a General Publication, Periodicals class mail must meet the requirements in section 411 and in sections 412.2 through 412.4.

412.2 Dissemination of Information. A General Publication must be originated and published for the purpose of disseminating information of a public character, or devoted to literature, the sciences, art, or some special industry.

412.3 Paid Circulation.

412.31 Total Distribution. A General Publication must be designed primarily for paid circulation. At least 50 percent or more of the copies of the publication must be distributed to persons who have paid above a nominal rate.

412.32 List of Subscribers. A General Publication must be distributed to a legitimate list of persons who have subscribed by paying or promising to pay at a rate above nominal for copies to be received during a stated time. Copies mailed to persons who are not on a legitimate list of subscribers are nonsubscriber copies.

412.33 Nominal Rates. As used in section 412.31, nominal rate means:

- a. A token subscription price that is so low that it cannot be considered a material consideration;
- b. A reduction to the subscriber, under a premium offer or any other arrangements, of more than 50 percent of the amount charged at the basic

annual rate for a subscriber to receive one copy of each issue published during the subscription period. The value of a premium is considered to be its actual cost to the publishers, the recognized retail value, or the represented value, whichever is highest.

412.34 Nonsubscriber Copies.

412.341 Up to Ten Percent. Nonsubscriber copies, including sample and complimentary copies, mailed at any time during the calendar year up to and including 10 percent of the total number of copies mailed to subscribers during the calendar year are mailable at the rates that apply to subscriber copies provided that the nonsubscriber copies would have been eligible for those rates if mailed to subscribers.

412.342 Over Ten Percent.

Nonsubscriber copies, including sample and complimentary copies, mailed at any time during the calendar year, in excess of 10 percent of the total number of copies mailed to subscribers during the calendar year which are presorted and commingled with subscriber copies are charged the applicable rates for Regular Periodicals. The 10 percent limitation for a publication is based on the total number of all copies of that publication mailed to subscribers during the calendar year.

412.35 Advertiser's Proof Copies.

One complete copy of each issue of a General Publication may be mailed to each advertiser in that issue as an advertiser's proof copy at the rates that apply to subscriber copies, whether the advertiser's proof copy is mailed to the advertiser directly or, instead, to an advertising representative or agent of the publication. These copies count as subscriber copies.

412.36 Expired Subscriptions. For six months after a subscription has expired, copies of a General Publication may be mailed to a former subscriber at the rates that apply to copies mailed to subscribers, if the publisher has attempted during that six months to obtain payment, or a promise to pay, for renewal. These copies do not count as subscriber copies.

412.4 Advertising Purposes.

A General Publication may not be designed primarily for advertising purposes. A publication is "designed primarily for advertising purposes" if it:

- a. Has advertising in excess of 75 percent in more than one-half of its issues during any 12-month period;
- b. Is owned or controlled by individuals or business concerns and conducted as an auxiliary to and essentially for the advancement of the main business or calling of those who own or control it;

c. Consists principally of advertising and editorial write-ups of the advertisers;

d. Consists principally of advertising and has only a token list of subscribers, the circulation being mainly free;

e. Has only a token list of subscribers and prints advertisements free for advertisers who pay for copies to be sent to a list of persons furnished by the advertisers; or

f. Is published under a license from individuals or institutions and features other businesses of the licensor.

413 Requester Publications

413.1 Definition. A publication which is circulated free or mainly free may qualify for Periodicals class as a Requester Publication if it meets the requirements in sections 411, and 413.2 through 413.4.

413.2 Minimum Pages. It must contain at least 24 pages.

413.3 Advertising Purposes.

413.31 Advertising Percentage. It must devote at least 25 percent of its pages to nonadvertising and not more than 75 percent to advertisements.

413.32 Ownership and Control. It must not be owned or controlled by one or more individuals or business concerns and conducted as an auxiliary to and essentially for the advancement of the main business or calling of those who own or control it.

413.4 Circulated to Requesters.

413.41 List of Requesters. It must have a legitimate list of persons who request the publication, and 50 percent or more of the copies of the publication must be distributed to persons making such requests. Subscription copies paid for or promised to be paid for, including those at or below a nominal rate may be included in the determination of whether the 50 percent request requirement is met. Persons will not be deemed to have requested the publication if their request is induced by a premium offer or by receipt of material consideration, provided that mere receipt of the publication is not material consideration.

413.42 Nonrequester Copies.

413.421 Up to Ten Percent.

Nonrequester copies, including sample and complimentary copies, mailed at any time during the calendar year up to and including 10 percent of the total number of copies mailed to requesters during the calendar year are mailable at the rates that apply to requester copies provided that the nonrequester copies would have been eligible for those rates if mailed to requesters.

413.422 Over Ten Percent.

Nonrequester copies, including sample and complimentary copies, mailed at

any time during the calendar year, in excess of 10 percent of the total number of copies mailed to requesters during the calendar year which are presorted and commingled with requester copies are charged the applicable rates for Regular Periodicals. The 10 percent limitation for a publication is based on the total number of all copies of that publication mailed to requesters during the calendar year.

413.43 Advertiser's Proof Copies. One complete copy of each issue of a Requester Publication may be mailed to each advertiser in that issue as an advertiser's proof copy at the rates that apply to requester copies, whether the advertiser's proof copy is mailed to the advertiser directly or, instead, to an advertising representative or agent of the publication. These copies count as requester copies.

414 Publications of Institutions and Societies

414.1 Publisher's Own Advertising. Except as provided in section 414.2, a publication which meets the requirements of sections 411 and 412.4, and which contains no advertising other than that of the publisher, qualifies for Periodicals class as a publication of an institution or society if it is:

- a. Published by a regularly incorporated institution of learning;
- b. Published by a regularly established state institution of learning supported in whole or in part by public taxation;
- c. A bulletin issued by a state board of health or a state industrial development agency;
- d. A bulletin issued by a state conservation or fish and game agency or department;
- e. A bulletin issued by a state board or department of public charities and corrections;
- f. Published by a public or nonprofit private elementary or secondary institution of learning or its administrative or governing body;
- g. Program announcements or guides published by an educational radio or television agency of a state or political subdivision thereof, or by a nonprofit educational radio or television station;
- h. Published by or under the auspices of a benevolent or fraternal society or order organized under the lodge system and having a bona fide membership of not less than 1,000 persons;
- i. Published by or under the auspices of a trade(s) union;
- j. Published by a strictly professional, literary, historical, or scientific society; or,
- k. Published by a church or church organization.

414.2 General Advertising. A publication published by an institution or society identified in sections 414.1 h through k, may contain advertising of other persons, institutions, or concerns, if the following additional conditions are met:

- a. The publication is originated and published to further the objectives and purposes of the society;
- b. Circulation is limited to:
 - i. Copies mailed to members who pay either as a part of their dues or assessment or otherwise, not less than 50 percent of the regular subscription price;
 - ii. Other actual subscribers; and
 - iii. Exchange copies.
- c. The circulation of nonsubscriber copies, including sample and complimentary copies, does not exceed 10 percent of the total number of copies referred to in 414.2b.

415 Publications of State Departments of Agriculture

A publication which is issued by a state department of agriculture and which meets the requirements of sections 411 qualifies for Periodicals class as a publication of a state department of agriculture if it contains no advertising and is published for the purpose of furthering the objects of the department.

416 Foreign Publications

Foreign newspapers and other periodicals of the same general character as domestic publications entered as Periodicals class mail may be accepted on application of the publishers thereof or their agents, for transmission through the mail at the same rates as if published in the United States. This section does not authorize the transmission through the mail of a publication which violates a copyright granted by the United States.

420 Description of Subclasses

421 Regular Subclass

421.1 Definition. The Regular subclass consists of Periodicals class mail that is not mailed under section 423 and that:

- a. Is presorted, marked, and presented as prescribed by the Postal Service; and
- b. Meets machinability, addressing, and other preparation requirements prescribed by the Postal Service.

421.2 Regular Pound Rates.

An unzoned pound rate applies to the nonadvertising portion of Regular subclass mail. A zoned pound rate applies to the advertising portion and may be reduced by applicable destination entry discounts. The pound rate postage is the sum of the

nonadvertising portion charge and the advertising portion charge.

421.3 Regular Piece Rates.

421.31 Basic Rate Category. The basic rate category applies to all Regular subclass mail not mailed under section 421.32 or 421.33.

421.32 Three-Digit City and Five-Digit Rate Category. The rates for this category apply to Regular subclass mail presorted to three-digit cities and five-digit ZIP Code destinations as prescribed by the Postal Service.

421.33 Carrier Route Rate Category. The carrier route rate category applies to Regular subclass mail presorted to carrier routes as prescribed by the Postal Service.

421.4 Regular Subclass Discounts.

421.41 Barcoded Letter Discounts. Barcoded letter discounts apply to letter size Regular subclass mail mailed under sections 421.31 and 421.32 which bears a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meets the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.

421.42 Barcoded Flats Discounts. Barcoded flats discounts apply to flat size Regular subclass mail mailed under sections 421.31 and 421.32 which bear a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and meet the flats machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service.

421.43 High Density Discount. The high density discount applies to Regular subclass mail mailed under section 421.33, presented in walk sequence order, and meeting the high density and preparation requirements prescribed by the Postal Service.

421.44 Saturation Discount. The saturation discount applies to Regular subclass mail mailed under section 421.33, presented in walk-sequence order, and meeting the saturation and preparation requirements prescribed by the Postal Service.

421.45 Destination Entry Discounts. Destination entry discounts apply to Regular subclass mail which is destined for delivery within the service area of the destination sectional center facility (SCF) or the destination delivery unit (DDU) in which it is entered, as defined by the Postal Service. The DDU discount only applies to Carrier Route rate category mail.

421.46 Nonadvertising Discount. The nonadvertising discount applies to all Regular subclass mail and is determined by multiplying the

proportion of nonadvertising content by the discount factor set forth in Rate Schedule 421 and subtracting that amount from the applicable piece rate.

422 [Reserved]

423 Preferred Rate Periodicals

423.1 Definition. Periodicals class mail, other than publications qualifying as Requester Publications, may qualify for Preferred Rate Periodicals rates if it meets the applicable requirements for those rates in sections 423.2 through 423.5.

423.2 Within County Subclass.

423.21 Definition. Within County mail consists of Preferred Rate Periodicals class mail mailed in, and addressed for delivery within, the county where published and originally entered, from either the office of original entry or additional entry. In addition, a Within County publication must meet one of the following conditions:

- a. The total paid circulation of the issue is less than 10,000 copies; or
- b. The number of paid copies of the issue distributed within the county of publication is at least one more than one-half of the total paid circulation of such issue.

423.22 Entry in an Incorporated City. For the purpose of determining eligibility for Within County mail, when a publication has original entry at an independent incorporated city which is situated entirely within a county or which is contiguous to one or more counties in the same state, such incorporated city shall be considered to be within the county with which it is principally contiguous. Where more than one county is involved, the publisher will select the principal county.

423.3 Nonprofit Subclass.

423.31 Definition. Nonprofit mail is Preferred Rate Periodicals class mail entered by authorized nonprofit organizations or associations of the following types:

- a. Religious,
- b. Educational,
- c. Scientific,
- d. Philanthropic,
- e. Agricultural,
- f. Labor,
- g. Veterans',
- h. Fraternal, and
- i. Associations of rural electric cooperatives,
- j. One publication, which contains no advertising published by the official highway or development agency of a state,
- k. Program announcements or guides published by an educational radio or television agency of a state or political

subdivision thereof or by a nonprofit educational radio or television station.

l. One conservation publication published by an agency of a state which is responsible for management and conservation of the fish or wildlife resources of such state.

423.32 Definitions of Nonprofit Organizations and Associations. Nonprofit organizations or associations are organizations or associations not organized for profit, none of the net income of which benefits any private stockholder or individual, and which meet the qualifications set forth below for each type of organization or association. The standard of primary purpose applies to organizations listed under section 423.31a through f. The standard of primary purpose requires that each type of organization or association be both organized and operated for the primary purpose.

a. Religious. A nonprofit organization whose primary purpose is one of the following:

- i. To conduct religious worship;
- ii. To support the religious activities of nonprofit organizations whose primary purpose is to conduct religious worship;
- iii. To perform instruction in, to disseminate information about, or otherwise to further the teaching of particular religious faiths or tenets.

b. Educational. A nonprofit organization whose primary purpose is one of the following:

- i. The instruction or training of the individual for the purpose of improving or developing his capabilities;
- ii. The instruction of the public on subjects beneficial to the community.

An organization may be educational even though it advocates a particular position or viewpoint so long as it presents a sufficiently full and fair exposition of the pertinent facts to permit an individual or the public to form an independent opinion or conclusion. On the other hand, an organization is not educational if its principal function is the mere presentation of unsupported opinion.

c. Scientific. A nonprofit organization whose primary purpose is one of the following:

- i. To conduct research in the applied, pure or natural sciences;
- ii. To disseminate systematized technical information dealing with applied, pure or natural sciences.

d. Philanthropic. A nonprofit organization primarily organized and operated for purposes beneficial to the public. Philanthropic organizations include, but are not limited to, organizations which are organized for:

- i. Relief of the poor and distressed or of the underprivileged;
- ii. Advancement of religion;
- iii. Advancement of education or science;
- iv. Erection or maintenance of public buildings, monuments, or works;
- v. Lessening of the burdens of government;
- vi. Promotion of social welfare by organizations designed to accomplish any of the above purposes or;
 - (a) To lessen neighborhood tensions;
 - (b) To eliminate prejudice and discrimination;
 - (c) To defend human and civil rights secured by law; or
 - (d) To combat community deterioration and juvenile delinquency.
- e. Agricultural. A nonprofit organization whose primary purpose is the betterment of the conditions of those engaged in agricultural pursuits, the improvement of the grade of their products, and the development of a higher degree of efficiency in agriculture. The organization may advance agricultural interests through educational activities; the holding of agricultural fairs; the collection and dissemination of information concerning cultivation of the soil and its fruits or the harvesting of marine resources; the rearing, feeding, and management of livestock, poultry, and bees, or other activities relating to agricultural interests. The term agricultural nonprofit organization also includes any nonprofit organization whose primary purpose is the collection and dissemination of information or materials relating to agricultural pursuits.
- f. Labor. A nonprofit organization whose primary purpose is the betterment of the conditions of workers. Labor organizations include, but are not limited to, organizations in which employees or workmen participate, whose primary purpose is to deal with employers concerning grievances, labor disputes, wages, hours of employment and working conditions.
- g. Veterans'. A nonprofit organization of veterans of the armed services of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization.
- h. Fraternal. A nonprofit organization which meets all of the following criteria:
 - i. Has as its primary purpose the fostering of brotherhood and mutual benefits among its members;
 - ii. Is organized under a lodge or chapter system with a representative form of government;
 - iii. Follows a ritualistic format; and
 - iv. Is comprised of members who are elected to membership by vote of the members.

423.4 Classroom Subclass.

Classroom mail is of Preferred Rate Periodicals class mail which, consists of religious, educational, or scientific publications designed specifically for use in school classrooms or religious instruction classes.

423.5 Science of Agriculture.

Science of Agriculture mail consists of Preferred Rate Periodicals class mail devoted to the science of agriculture if the total number of copies of the publication furnished during any 12-month period to subscribers residing in rural areas amounts to at least 70 percent of the total number of copies distributed by any means for any purpose.

423.6 Preferred Rate Discounts.

423.61 Destination Entry Discounts. Copies of any Preferred Rate Periodicals class mail which are destined for delivery within the destination sectional center facility (SCF) area or the destination delivery unit (DDU) area in which they are entered, as defined by the Postal Service, qualify for the applicable discount as set forth in Rate Schedules 423.2, 423.3, and 423.4.

423.62 ZIP + 4 and Pre-barcode Letter Discounts. Copies of any automation compatible Preferred Rate Periodicals class mail which bear a proper ZIP + 4 code, or which bear a barcode representing not more than 11 digits (not including "correction" digits) as prescribed by the Postal Service, and which meet the machinability, addressing, and barcoding specifications and other preparation requirements prescribed by the Postal Service qualify for the applicable ZIP + 4 or pre-barcode discounts as set forth in Rate Schedules 423.2, 423.3, and 423.4.

423.63 125-piece Walk-sequence Discount. Copies of Preferred Rate Periodicals class mail presented in mailings which are walk sequenced and contain a minimum of 125 pieces per carrier route and which meet the preparation requirements prescribed by the Postal Service are eligible for the applicable discount set forth in Rate Schedules 423.2, 423.3, and 423.4.

423.64 Saturation Discount. Saturation Preferred Rate Periodicals class mail presented in mailings which are walk sequenced and which meet the saturation and preparation requirements prescribed by the Postal Service qualifies for the applicable discount set forth in Rate Schedules 423.2, 423.3, and 423.4.

423.65 Pre-barcode Flats

Discounts. Pre-barcode Preferred Rate Periodicals class flats which are properly prepared and presorted, which bear a barcode as prescribed by the Postal Service, and which meet the flats

machinability and address readability specifications of the Postal Service, are eligible for the applicable discounts for pre-barcode flats set forth in Rate Schedules 423.2, 423.3, and 423.4.

430 Physical Limitations

There are no maximum size or weight limits for Periodicals class mail.

440 Postage and Preparation

441 Postage. Postage must be paid on Periodicals class mail as set forth in section 3000.

442 Presortation. Periodicals class mail must be presorted in accordance with regulations prescribed by the Postal Service.

443 Attachments and Enclosures

443.1 General. First-Class Mail or Standard Mail from any of the subclasses listed in section 321 (Single Piece, Regular, Enhanced Carrier Route or Nonprofit) may be attached to or enclosed with Periodicals class mail. The piece must be marked as prescribed by the Postal Service. Except as provided in section 443.2, additional postage must be paid for the attachment or enclosure as if it had been mailed separately. Otherwise, the entire combined piece is subject to the appropriate First-Class or section 321 Standard Mail rate for which it qualifies (unless the rate applicable to the host piece is higher), or, if a combined piece with a section 321 Standard Mail attachment or enclosure weighs 16 ounces or more, the piece is subject to the Parcel Post rate for which it qualifies.

443.2 Incidental First-Class Mail Attachments and Enclosures. First-Class Mail that meets one or more of the definitions in sections 210 b through d may be attached to or enclosed with Periodicals class mail, with postage paid on the combined piece at the applicable Periodicals rate, if the attachment or enclosure is incidental to the piece to which it is attached or with which it is enclosed.

444 Identification

Periodicals class mail must be identified as required by the Postal Service. Nonsubscriber and nonrequester copies, including sample and complimentary copies, must be identified as required by the Postal Service.

445 Filing of Information

Information relating to Periodicals class mail must be filed with the Postal Service in accordance with 39 U.S.C. 3685.

446 Enclosures and Supplements

Periodicals class mail may contain enclosures and supplements as prescribed by the Postal Service. An enclosure or supplement may not contain writing, printing or sign thereof or therein, in addition to the original print, except as authorized by the Postal Service, or as authorized under section 443.2.

450 Deposit and Delivery**451 Deposit**

Periodicals class mail must be deposited at places and times designated by the Postal Service.

452 Service

Periodicals class mail is given expeditious handling insofar as is practicable.

453 Forwarding and Return

Undeliverable-as-addressed Periodicals class mail will be forwarded or returned to the mailer, as prescribed by the Postal Service. Undeliverable-as-addressed combined First-Class and Periodicals class mail pieces will be forwarded or returned, as prescribed by the Postal Service. Additional charges when Periodicals class mail is returned will be based on the applicable Standard Mail rate.

460 Ancillary Services

Periodicals class mail will receive the following additional service upon payment of the appropriate fee:

Service	Schedule
Special delivery	SS-17

470 Rates and Fees

The rates and fees for Periodicals class mail are set forth as follows:

	Schedule
a. Regular	421
b. Within County	423.2
c. Nonprofit	423.3
d. Classroom	423.4
e. Science of Agriculture	421
f. Fees	1000

480 Authorizations and Licenses**481 Entry Authorizations**

Prior to mailing at Periodicals rates, a publication must be authorized for entry as Periodicals class mail by the Postal Service. Each authorized publication will be granted one original entry authorization at the post office where the office of publication is maintained. An authorization for the establishment of an account to enter a publication at

an additional entry office may be granted by the Postal Service upon application by the publisher. An application for re-entry must be made whenever the publisher proposes to change the publication's title, frequency of issue or office of original entry.

482 Preferred Rate Authorization

Prior to mailing at Nonprofit, Classroom, and Science of Agriculture rates, a publication must obtain an additional Postal Service entry authorization to mail at those rates.

483 Mailing by Publishers and News Agents

Periodicals class mail may be mailed only by publishers or registered news agents. A news agent is a person or concern engaged in selling two or more Periodicals publications published by more than one publisher. News agents must register at all post offices at which they mail Periodicals class mail.

484 Fees

Fees for original entry, additional entry, re-entry, and registration of a news agent are set forth in Rate Schedule 1000.

Amend Classification Schedules SS-1, -5, -6, -9, -13, -14, -16, -17, -18, -19, -20, by inserting the italicized text and deleting the text set off in brackets, as follows:

Classification Schedule SS-1—Address Correction Service

* * * * *

1.02 Description of Service

1.020 Address correction service is available to mailers of postage prepaid mail of all classes. [Second-class] *Periodicals class* mail will receive address correction service.

* * * * *

1.03 Requirements of the Mailer

1.030 Mail, other than [second] *Periodicals class* mail, sent under this classification schedule must bear a request for address correction service.

* * * * *

Classification Schedule SS-5—Certified Mail

* * * * *

5.02 Description of Service

5.020 Certified mail service is provided for matter mailed [under Classification Schedule 100] *as First-Class Mail*.

* * * * *

Classification Schedule SS-6—Collect on Delivery Service

* * * * *

6.02 Description of Service

6.020 COD service is available for collection of \$600 or less upon the delivery of postage prepaid mail sent under the following classification schedules:

	[Classification Schedule]
[d.]a. Express Mail	[500]
[a.]b. First-Class Mail	[100]
[b.]c. [Third class (s)]Single [p]Piece, [only]] <i>Parcel Post, Bound Printed Matter, Special, and Library Standard Mail</i> .	[300]
[c.] Fourth-class mail	400]

* * * * *

6.05 Forwarding and Return

* * * * *

6.051 For COD mail sent as [third- or fourth-] *Standard* [class m] Mail, postage at the applicable rate will be charged to the addressee:

a. When an addressee, entitled to delivery to the mailing address under Postal Service regulations, requests delivery of COD mail which was refused when first offered for delivery;

b. For each delivery attempt, to an addressee entitled to delivery to the mailing address under Postal Service regulations, after the second such attempt.

6.06 Other Services

6.060 The following services, if applicable to the class of mail, may be obtained in conjunction with mail sent under this classification schedule upon payment of the applicable fee:

	Classification Schedule
a. Registered mail, if sent as First[]—Class.	SS-14
b. Restricted delivery	SS-15
c. Special delivery	SS-17
d. Special handling	SS-18

* * * * *

Classification Schedule SS-9—Insured Mail

* * * * *

9.02 Description of Service

* * * * *

9.021 Insured mail service is available for mail sent under the following classification schedules:

	[Classification schedule]
a. First-Class Mail, if containing matter which may be mailed as [third- or fourth-] <i>Standard</i> [class m] Mail.	[100]
b. [Third class (s)]Single [p]Piece, [only]] <i>Parcel Post, Bound Printed Matter, Special, and Library Standard Mail</i> .	[300]
[c.] Fourth-class	400]

* * * * *

Classification Schedule SS-13—Parcel Airlift (PAL)

* * * * *

13.02 Description of Service

13.020 Parcel airlift service is available for mail sent under the following classification schedule[s]:

	[Classification Schedule]
[a. Third-] <i>Standard</i> [class m] Mail.	[300]
[b.] Fourth-class mail	400]

* * * * *

13.06 Forwarding and Return

13.060 PAL mail sent for delivery outside the contiguous 48 states is forwarded as set forth in section [1000.03] *2030* of the General *Definitions, Terms and Conditions*. PAL mail sent for delivery within the contiguous 48 states is forwarded or returned as set forth in section[s] [300.07 and 400.07] *353* as appropriate.

* * * * *

Classification Schedule SS-14—Registered Mail

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14.02 Description of Service

14.020 Registered mail service is available to mailers of prepaid mail sent [under Classification Schedule 100] *as First-Class Mail* except that registered mail must meet the minimum requirements for length and width regardless of thickness.

* * * * *

Classification Schedule SS-16—Return Receipts

* * * * *

16.02 Description of Service

16.020 Return receipt service is available for mail sent under the following classification schedules:

	Classification Schedule
a. Certified mail	SS-5
b. COD mail	SS-6
c. Insured mail (if insured for more than \$50).	SS-9
d. Registered mail	SS-14
e. Express Mail	[500]
f. First-[]Class (merchandise only).	[100]
g. Standard Mail[Third class] (merchandise only).	[300]
h. Fourth class (merchandise only).	400]

* * * * *

Classification Schedule SS-17—Special Delivery

* * * * *

17.02 Description of Service

17.020 Special delivery service is available for mail sent under the following classification schedules:

	[Classification Schedule]
a. First-Class Mail	[100]
b. [Second-class] <i>Periodicals</i> [mail].	[200]
c. [Third-class mail (s)] <i>Single [p]Piece, [only]]Parcel Post, Bound Printed Matter, Special, and Library Standard Mail.</i>	[300]
[d. Fourth-class mail	400]

* * * * *

Classification Schedule SS-18—Special Handling

* * * * *

18.02 Description of Service

18.020 Special handling service is available for mail sent under the following classification schedules:

	Classification Schedule]
a. First-Class Mail	[100]
b. [Third-class (s)] <i>Single [p]Piece, [only]]Parcel Post, Bound Printed Matter, Special, and Library Standard Mail.</i>	[300]
[c. Fourth-class mail	400]

* * * * *

18.05 Forwarding and Return

18.050 If undeliverable as addressed, special handling mail that is forwarded to the addressee is given special handling without requiring payment of an additional handling fee. However, additional postage at the [regular third- or fourth-class]

applicable Standard Mail rate is collected on delivery.

* * * * *

Classification Schedule SS-19—Stamped Envelopes

* * * * *

19.02 Description of Service

19.020 Stamped envelopes are available for:

a. First[]-Class *Mail* within the first rate increment.

b. [Third-class] *Standard Mail* [bulk mail] mailed at [the] a minimum per-piece rate *as prescribed by the Postal Service.*

* * * * *

Classification Schedule SS-20—Merchandise Return

* * * * *

20.02 Description of Service

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20.021 Merchandise return service is available for the return of any parcel under the following classification schedules.

	[Classification schedule]
a. First-Class Mail	[100]
b. [Third-] <i>Standard</i> [class m] <i>Mail.</i>	[300]
[c. Fourth-class mail	400]

Amend General Definitions (sections .01-.11) and General Terms and Conditions (sections 1000-6000), by inserting the italicized text and deleting the text in brackets, as follows:

General Definitions, Terms and Conditions

1000 General Definitions

As used in this Domestic Mail Classification Schedule, the following terms have the meanings set forth below.

1001 [01] Advertising

Advertising includes all material for the publication of which a valuable consideration is paid, accepted, or promised, that calls attention to something for the purpose of getting people to buy it, sell it, seek it, or support it. If an advertising rate is charged for the publication of reading matter or other material, such material shall be deemed to be advertising. Articles, items, and notices in the form of reading matter inserted in accordance with a custom or understanding that textual matter is to be inserted for the advertiser or his products in the publication in which a display

advertisement appears are deemed to be advertising. If a publisher advertises his own services or publications, or any other business of the publisher, whether in the form of display advertising or editorial or reading matter, this is deemed to be advertising.

1002 [02] Aspect Ratio

Aspect ratio is the ratio of width to length.

1003 [03] Bills and Statements of Account

1003.1 [Bills and statements of account are defined as follows:

a.] A bill is a request for payment of a definite sum of money claimed to be owing by the addressee either to the sender or to a third party. The mere assertion of an indebtedness in a definite sum combined with a demand for payment is sufficient to make the message a bill.

1003.2 [b.] A statement of account is the assertion of the existence of a debt in a definite amount but which does not necessarily contain a request or a demand for payment. The amount may be immediately due or may become due after a certain time or upon demand or billing at a later date.

1003.3 [c.] A bill or statement of account must present the particulars of an indebtedness with sufficient definiteness to inform the debtor of the amount he is required to pay to acquit himself of the debt. However, neither a bill nor a statement of account need state the precise amount if it contains sufficient information to enable the debtor to determine the exact amount of the claim asserted.

1003.4 [d.] A bill or statement of account is not the less a bill or statement of account merely because the amount claimed is not in fact owing or may not be legally collectible.

[.04 Full Rates

Full rates are rates approved by the Governors of the Postal Service in accordance with Title 39 U.S.C., which are not reduced rates as set forth in title 39 U.S.C. 3626.]

1004 [05] Girth

Girth is the measurement around a piece of mail at its thickest part.

1005 [06] Invoice

An invoice is a writing showing the nature, quantity, and cost or price of items shipped or sent to a purchaser or consignor.

1006 [07] Permit Imprints

Permit imprints are printed indicia indicating postage has been paid by the sender under the permit number shown.

[.08 Phased Rates

Phased rates are the reduced rates which increase annually as provided in 39 U.S.C. 3626(a). The sum of the annual increases equals the difference between the rates which were in effect for a class of mail or kind of mailer at the time of the enactment of the Postal Reorganization Act and either—

- a. The full rates, or
- b. The preferred rates

for the class of mail or kind of mailer. The phased rates increase on July 6 of each year.]

1007 [.09] Preferred Rates

Preferred rates are the reduced rates established pursuant to 39 U.S.C. 3626[(a)(1)].

[.10 Territories and Possessions

For purposes of this Domestic Mail Classification Schedule, the terms territories and possessions include:

Baker Island
Canton Island
Caroline Islands
Enderbury Island
Guam
Howland Island
Jarvis Island
Johnston Island
Kingman Reef
Manua Island
Mariana Islands
Marshall Islands
Midway Islands
Navassa Island
Commonwealth of Puerto Rico
Saint Croix Island
Saint John Island
Saint Thomas Island
Samoa (American)
Sand Island
Swain's Island
Trust Territory of the Pacific
Virgin Islands (U.S.)
Wake Island]

1008 [.11] ZIP Code

The ZIP Code is a numeric code that facilitates the sortation, routing, and delivery of mail.

2000 [1000] Delivery of Mail**2010 [1000.01] Delivery Services**

[1000.010] The Postal Service provides the following modes of delivery:

- a. Caller service. The fees for caller service are set forth in Rate Schedule SS-10.
- b. Carrier delivery service.
- c. General delivery.
- d. Post office box service. The fees for post office box service are set forth in Rate Schedule SS-10.

2020 [1000.02] Conditions of Delivery

2021 General. [1000.020] Except as provided in section 2022 [1000.021], mail will be delivered as addressed unless the Postal Service is instructed otherwise by the addressee in writing.

2022 Refusal of Delivery. [1000.021] The addressee may control delivery of his mail. The addressee may refuse to accept a piece of mail *that does not require a delivery receipt* at the time it is offered for delivery or after delivery by returning it unopened to the Postal Service [except as provided below]. *For mail that requires a delivery receipt*, [T]he addressee or his representative may read and copy the name of the sender of registered, insured, certified, [and] COD [mail], *return receipt*, and *Express Mail* prior to accepting delivery. Upon signing the delivery receipt the piece may not be returned to the Postal Service without the applicable postage and fees affixed.

2023 Receipt. [1000.022] If a signed receipt is required, mail will be delivered to the addressee (or competent member of his family), to persons who customarily receive his mail or to one authorized in writing to receive the addressee's mail.

2024 Jointly Addressed Mail. [1000.023] Mail addressed to several persons may be delivered to any one of them. [1000.0231] When two or more persons make conflicting orders for delivery for the same mail, the mail shall be delivered as determined by the Postal Service.

2025 Commercial Mail Receiving Agents. [1000.024] Mail may be delivered to a commercial mail receiving agency on behalf of another person. In consideration of delivery of mail to the commercial agent, the addressee and the agent are considered to agree that:

- a. No change of address order will be filed with the post office when the agency relationship is terminated;
- b. When remailed by the commercial agency, the mail is subject to payment of new postage.

2026 Mail Addressed to Organizations. [1000.025] Mail addressed to governmental units, private organizations, corporations, unincorporated firms or partnerships, persons at institutions (including but not limited to hospitals and prisons), or persons in the military is delivered as addressed or to an authorized agent.

2027 Held Mail. [1000.026] Mail will be held for a specified period of time at the office of address upon request of the addressee, unless the mail:

- a. Has contrary retention instructions;
- b. Is perishable; or

c. Is registered, COD, insured, [or] *return receipt*, certified, or *Express Mail* for which the normal retention period expires before the end of the specified holding period.

2030 [1000.03] Forwarding and Return**2031 Forwarding.** [1000.030]

Forwarding is the transfer of undeliverable-as-addressed mail to an address other than the one originally placed on the mail piece. [1000.033] All post offices will honor change of address orders for a period of time specified by the Postal Service.

2032 Return. [1000.031] Return is the delivery of *undeliverable-as-addressed* mail to the sender.

2033 Applicable Provisions.

[1000.032] The provisions of sections 150, 250, 350 and 450 [100.07, 200.07, 250.07, 300.07, 400.07, and 500.07] apply to forwarding and return.

2034 Forwarding for Postal Service Adjustments. [1000.034] When mail is forwarded due to Postal Service adjustments (such as, but not limited to, the discontinuance of the post office of original address, establishment of rural carrier service, conversion to city delivery service from rural, readjustment of delivery districts, or renumbering of houses and renaming of streets), it is forwarded without charge for a period of time specified by the Postal Service.

3000 [2000] Postage and Preparation [of Mail]**3010 [2000.01] Packaging**

[2000.010] Mail must be packaged so that:

- a. The contents will be protected against deterioration or degradation;
- b. The contents will not be likely to damage other mail, Postal Service employees or property, or to become loose in transit;
- c. The package surface must be able to retain postage indicia and address markings;
- d. It is marked by the mailer with a material which is not readily water soluble nor which can be easily rubbed off or smeared, and the marking will be sharp and clear.

3020 Envelopes

[2000.011] Paper used in the preparation of envelopes may not be of a brilliant color. [2000.012] Envelopes must be prepared with paper strong enough to withstand normal handling.

3030 [3000] [Postage and Fees] [3000.01] Payment of Postage and Fees

[3000.010] Postage must be fully prepaid on all mail at the time of mailing, except as authorized by law or

this Schedule. [3000.0101] Except as authorized by law or this Schedule, mail deposited without prepayment of sufficient postage shall be delivered to the addressee subject to payment of deficient postage, returned to the sender, or otherwise disposed of as *prescribed by the Postal Service*. Mail deposited without any postage affixed will be returned to the sender without any attempt at delivery.

3040 [3000.02] Methods for Paying Postage and Fees

[3000.020] Postage for all mail may be prepaid by postage meter, adhesive stamps, or permit imprint, unless otherwise limited or *prescribed by the Postal Service* [by regulation].

[3000.021] The following methods of paying postage and fees require[d] prior authorization from the Postal Service:

- a. Permit imprint,
- b. Postage meter,
- c. Precancel[l]ed stamps, precancel[l]ed envelopes, and mailer's precancel[l]ed postmarks.

3050 Authorization Fees

[3000.0211] Fees for authorization to use a permit imprint are set forth in Rate Schedule 1000. [3000.0212] No fee is charged for authorization to use a postage meter. Fees for setting postage meters are set forth in Rate Schedule SS-12. [3000.0213] No fee is charged for authorization to use precancel[l]ed stamps, precancel[l]ed envelopes or mailer's precancel[l]ed postmark.

3060 Special Service Fees

[3000.023] Fees for special services may be prepaid in any manner appropriate for the class of mail indicated or as otherwise prescribed by *the Postal Service* [regulation].

3070 Marking of Unpaid Mail

[3000.022] Matter authorized for mailing without prepayment of postage must bear markings identifying the class of mail service. Matter so marked will be billed at the applicable rate of postage set forth in this Schedule. Matter not so marked will be billed at the applicable First-Class rate of postage.

3080 [3000.03] Refund of Postage

[3000.030] When postage and special service fees have been paid on mail for which no service is rendered for the postage or fees paid, or collected in excess of the lawful rate, a refund may be made. [3000.0301] There shall be no refund for registered, COD, and insured fees when the article is later withdrawn by the mailer. [3000.031] In cases involving returned articles improperly

accepted because of excess size or weight, a refund may be made.

3090 Calculation of Postage

When a rate schedule contains per piece and per pound rates, the postage shall be the sum of the charges produced by those rates. When a rate schedule contains a minimum-per-piece rate and a pound rate, the postage shall be the greater of the two. When the computation of postage yields a fraction of a cent in the charge, the next higher whole cent must be paid.

4000 Postal Zones

4010 Geographic Units of Area

[4000.010] In the determination of postal zones, the earth is considered to be divided into units of area thirty minutes square, identical with a quarter of the area formed by the intersecting parallels of latitude and meridians of longitude. The distance between these units of area is the basis of the postal zones. [which are defined as follows:]

4020 Measurement of Zone Distances

[4000.011] The distance upon which zones are based shall be measured from the center of the unit of area containing the dispatching sectional center facility or multi-ZIP coded post office not serviced by a sectional center facility. A post office of mailing and a post office of delivery shall have the same zone relationship as their respective sectional center facilities or multi-ZIP coded post offices, but this shall not cause two post offices to be regarded as within the same local zone.

4030 Definition of Zones

4031 *Local Zone*. The local zone applies to mail mailed at any post office for delivery at that office; at any city letter carrier office or at any point within its delivery limits for delivery by carriers from that office; at any office from which a rural route starts for delivery on the same route; and on a rural route for delivery at the office from which the route starts or on any rural route starting from that office.

4032 *First Zone*. The first zone includes all territory within the quadrangle of entry in conjunction with every contiguous quadrangle, representing an area having a mean radial distance of approximately 50 miles from the center of a given unit of area. The first zone also applies to mail between two post offices in the same sectional center.

4033 *Second Zone*. The second zone includes all units of area outside the first zone lying in whole or in part within a radius of approximately 150

miles from the center of a given unit of area.

4034 *Third Zone*. The third zone includes all units of area outside the second zone lying in whole or in part within a radius of approximately 300 miles from the center of a given unit of area.

4035 *Fourth Zone*. The fourth zone includes all units of area outside the third zone lying in whole or in part within a radius approximately 600 miles from the center of a given unit of area.

4036 *Fifth Zone*. The fifth zone includes all units of area outside the fourth zone lying in whole or in part within a radius of approximately 1,000 miles from the center of a given unit of area.

4037 *Sixth Zone*. The sixth zone includes all units of area outside the fifth zone lying in whole or in part within a radius of approximately 1,400 miles from the center of a given unit of area.

4038 *Seventh Zone*. The seventh zone includes all units of area outside the sixth zone lying in whole or in part within a radius of approximately 1,800 miles from the center of a given unit of area.

4039 *Eighth Zone*. The eighth zone includes all units of area outside the seventh zone.

4040 Zoned Rates

[4000.012] Except as provided in *section 4050*, [below,] rates according to zone apply for zone-rated mail sent between Postal Service facilities including armed forces post offices, wherever located.

4050 APO/FPO Mail

4051 *General*. [a.] Except as provided in *section 4052*, t[T]he rates of postage for zone-rated mail transported between the United States, [the Canal Zone, Puerto Rico] or the possessions or territories of the United States, [including the Trust Territory of the Pacific Islands,] on the one hand, and Army, Air Force and Fleet Post Offices on the other, or among the latter, shall be *the applicable zone rates for mail between the place of mailing or delivery and the city of the postmaster serving the Army, Air Force or Fleet Post Office concerned*. [, subject to the following exception:]

4052 *Transit Mail*. [i.] The rates of postage for zone-rated mail which is mailed at or addressed to an armed forces post office and which is transported directly to or from armed forces post offices at the expense of the Department of Defense, without transiting any of the 48 contiguous states (including the District of

Columbia), shall be the applicable local zone rate; provided, however, that if the distance from the place of mailing to the embarkation point or the distance from the point of debarkation to the place of delivery is greater than the local zone for such mail, postage shall be assessed on the basis of the distance from the place of mailing to the embarkation point or the distance from the point of debarkation to the place of delivery of such mail, as the case may be. [(a)] The word "transiting" does not include enroute transfers at coastal gateway cities which are necessary to transport military mail directly between military post offices.

5000 Privacy of Mail

5010 First-Class and Express Mail

[5000.011] Matter mailed as First-Class Mail or Express Mail shall be treated as mail which is sealed against postal inspection and shall not be opened except as authorized by law.

5020 All Other Mail

[5000.010] Matter not paid at First-Class Mail or Express Mail rates must be wrapped or secured in the manner prescribed by the Postal Service so that the contents may be examined. Mailing of sealed items as other than First-Class Mail or Express Mail is considered

consent by the sender to the postal inspection of the contents.

6000 Mailable Matter

6010 General

[6000.010] Mailable matter is any matter which:

a. Is not mailed in contravention of 39 U.S.C. Chapter 30, or of 17 U.S.C. 109; [and]

b. While in the custody of the Postal Service is not likely to become damaged itself, to damage other pieces of mail, to cause injury to Postal Service employees or to damage Postal Service property; and

c. Is not mailed contrary to any special conditions or limitations placed on transportation or movement of certain articles, when imposed under law by the U.S. Department of the Treasury; U.S. Department of Agriculture; U.S. Department of Commerce; U.S. Department of Health and Human Services, U.S. Department of Transportation; and any other Federal department or agency having legal jurisdiction.

6020 Minimum Size Standards

[6000.011] The following minimum size standards apply to all mailable matter:

a. (1) All items must be at least 0.007 inches thick, and

b. [(2)] all items, other than keys and identification devices, which are 0.25 inch thick or less must be

i. [(a)] rectangular in shape,

ii. [(b)] at least 3.5 inches in width, and

iii. [(c)] at least 5 inches in length.

6030 Maximum Size and Weight Standards

Where applicable, the maximum size and weight standards for each class of mail are set forth in sections 130, 230, 330 and 430. Additional limitations may be applicable to specific subclasses, and rate and discount categories as provided in the eligibility provisions for each subclass or category.

Attachment B to the Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on Classification Reform I, Docket No. MC95-1

March 4, 1996.

Changes to Domestic Postage Rates Notice

Selected rates in schedules 221, 222, 321.2A, 321.2B, 321.3, and 421 are being changed; the remaining rates and fees are not changed and are published for informational purposes only.

EXPRESS MAIL RATE SCHEDULES 121, 122, AND 123*

[Dollars]

Weight not exceeding (pounds)	Schedule 121 same day airport service	Schedule 122 custom designed	Schedule 123 next day and sec- ond day PO to PO	Schedule 123 next day and sec- ond day PO to ad- dressee
1/2	9.00	9.45	10.25	10.75
1	10.50	14.00	12.05	15.00
2	10.50	14.00	12.05	15.00
3	11.95	16.15	14.20	17.25
4	13.05	18.30	16.35	19.40
5	14.15	20.45	18.50	21.55
6	15.30	24.30	22.35	25.40
7	16.40	25.40	23.45	26.45
8	17.55	26.50	24.55	27.60
9	18.70	27.60	25.65	28.65
10	19.75	28.75	26.80	29.80
11	20.90	29.80	27.85	30.90
12	22.05	30.95	29.00	32.00
13	23.15	32.00	30.10	33.10
14	24.30	33.15	31.20	34.25
15	25.40	34.25	32.30	35.30
16	26.50	35.35	33.45	36.45
17	27.65	36.50	34.55	37.60
18	28.80	37.60	35.65	38.65
19	29.90	38.70	36.75	39.80
20	31.00	39.80	37.85	40.90
21	32.15	40.95	39.00	42.00
22	33.25	42.00	40.05	43.10
23	34.40	43.15	41.20	44.25
24	35.55	44.25	42.30	45.30
25	36.60	45.35	43.40	46.45
26	37.75	46.45	44.50	47.50
27	38.75	47.55	45.65	48.65

EXPRESS MAIL RATE SCHEDULES 121, 122, AND 123*—Continued

[Dollars]

Weight not exceeding (pounds)	Schedule 121 same day airport service	Schedule 122 custom designed	Schedule 123 next day and sec- ond day PO to PO	Schedule 123 next day and sec- ond day PO to ad- dressee
28	39.70	48.65	46.70	49.75
29	40.65	49.80	47.85	50.85
30	41.60	50.90	49.00	52.00
31	42.50	52.00	50.05	53.10
32	43.45	53.15	51.20	54.20
33	44.40	54.20	52.25	55.30
34	45.30	55.35	53.40	56.45
35	46.30	56.45	54.50	57.50
36	47.20	57.55	55.60	58.65
37	48.10	58.65	56.70	59.70
38	49.10	59.80	57.85	60.85
39	50.00	60.85	58.90	61.95
40	50.90	62.00	60.05	63.05
41	51.90	63.05	61.15	64.15
42	52.80	64.20	62.25	65.30
43	53.75	65.35	63.40	66.40
44	54.70	66.40	64.50	67.50
45	55.60	67.55	65.60	68.65
46	56.55	68.65	66.70	69.70
47	57.50	69.75	67.80	70.85
48	58.45	70.85	68.90	71.95
49	59.35	72.00	70.05	73.05
50	60.30	73.05	71.10	74.15
51	61.25	74.20	72.25	75.30
52	62.15	75.30	73.35	76.35
53	63.15	76.40	74.45	77.50
54	64.05	77.55	75.60	78.60
55	65.00	78.60	76.70	79.70
56	65.95	79.75	77.80	80.85
57	66.85	80.85	78.90	81.90
58	67.80	81.95	80.05	83.05
59	68.75	83.15	81.20	84.25
60	69.65	84.45	82.50	85.55
61	70.65	85.85	83.90	86.95
62	71.55	87.15	85.20	88.25
63	72.45	88.45	86.50	89.55
64	73.45	89.85	87.90	90.95
65	74.35	91.15	89.20	92.25
66	75.30	92.55	90.60	93.65
67	76.25	93.85	91.90	94.95
68	77.15	95.25	93.30	96.35
69	78.10	96.55	94.60	97.65
70	79.05	97.85	95.90	98.95

*Notes: 1. The applicable 2-pound rate is charged for matter sent in a "flat rate" envelope provided by the Postal Service.

2. Add \$4.95 for each pickup stop.

3. Add \$4.95 for each Custom Designed delivery stop.

FIRST-CLASS MAIL RATE SCHEDULE
221—LETTERS AND SEALED PARCELS

Postage rate unit	Rate (cents)
Letters & Sealed Parcels:	
Regular:	
Single Piece: First ounce	32.0
Presort ¹	29.5
Additional Ounce	² 23.0
Nonstandard Surcharge:	
Single Piece	11.0
Presort	5.0
Automation—Presort: ¹	
Letters: ³	
Basic Presort ⁴	26.1
3-Digit Presort ⁵	25.4
5-Digit Presort ⁶	23.8
Carrier Route Presort ⁷	23.0

FIRST-CLASS MAIL RATE SCHEDULE
221—LETTERS AND SEALED PAR-
CELS—Continued

Postage rate unit	Rate (cents)
Flats: ⁸	
Basic Presort ⁹	29.0
3/5-Digit Presort ¹⁰	27.0
Additional Ounce	² 23.0
Nonstandard Surcharge	5.0

Schedule 221 Notes:

¹ A mailing fee of \$85.00 must be paid once each year at each office of mailing by any person who mails other than Single Piece First-Class Mail. Payment of the fee allows the mailer to mail at any First-Class rate. For presorted mailings weighing more than 2 ounces, subtract 4.6 cents per piece.

² Rate applies through 11 ounces. Heavier pieces are subject to Priority Mail rates.

³ Rates apply to bulk-entered mailings of at least 500 letter-size pieces, which must be delivery point barcoded and meet other preparation requirements prescribed by the Postal Service.

⁴ Rate applies to letter-size Automation-Presort category mail not mailed at 3-Digit, 5-Digit, or Carrier Route rates.

⁵ Rate applies to letter-size Automation-Presort category mail presorted to single or multiple three-digit ZIP Code destinations as prescribed by the Postal Service.

⁶Rate applies to letter-size Automation-Presort category mail presorted to single or multiple five-digit ZIP Code destinations as prescribed by the Postal Service.

⁷Rate applies to letter-size Automation-Presort category mail presorted to carrier routes specified by the Postal Service.

⁸Rates apply to bulk-entered mailings of at least 500 flat-size pieces, each of which must be delivery-point barcoded or bear a ZIP+4 barcode, and must meet other preparation requirements prescribed by the Postal Service.

⁹Rate applies to flat-size Automation-Presort category mail not mailed at the 3/5-Digit rate.

¹⁰Rate applies to flat-size Automation-Presort category mail presorted to single or multiple three- and five-digit ZIP Code destinations as specified by the Postal Service.

FIRST-CLASS MAIL RATE SCHEDULE 222—POSTAL AND POST CARDS

Postal rate unit	Rate (cents)
Cards:	
Regular.	
Single Piece	20.0
Presort ¹	18.0
Automation—Presort: ^{1 2}	
Basic Presort ³	16.6
3-Digit Presort ⁴	15.9
5-Digit Presort ⁵	14.3
Carrier Route Presort ⁶	14.0

Schedule 222 Notes:

¹A mailing fee of \$85.00 must be paid once each year at each office of mailing by any person who mails other than Single Piece First-Class Mail. Payment of the fee allows the mailer to mail at any First-Class rate.

²Rates apply to bulk-entered mailings of at least 500 pieces, which must be barcoded and meet other preparation requirements prescribed by the Postal Service.

³Rate applies to Automation-Presort category mail not mailed at 3-Digit, 5-Digit, or Carrier Route rates.

⁴Rate applies to Automation-Presort category mail presorted to single or multiple three-digit ZIP Code destinations as prescribed by the Postal Service.

⁵Rate applies to Automation-Presort category mail presorted to single or multiple five-digit ZIP Code destinations as prescribed by the Postal Service.

⁶Rate applies to Automation-Presort category mail presorted to carrier routes specified by the Postal Service.

FIRST-CLASS MAIL RATE SCHEDULE 223—PRIORITY MAIL SUBCLASS *

[Dollars]

Weight not exceeding (pounds)	L,1,2,3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
1	3.00	3.00	3.00	3.00	3.00	3.00
2	3.00	3.00	3.00	3.00	3.00	3.00
3	4.00	4.00	4.00	4.00	4.00	4.00
4	5.00	5.00	5.00	5.00	5.00	5.00
5	6.00	6.00	6.00	6.00	6.00	6.00
6	6.35	6.90	7.10	7.20	7.80	8.00
7	6.65	7.50	8.10	8.40	9.20	9.80
8	6.95	8.00	9.00	9.50	10.40	11.60
9	7.40	8.60	9.80	10.60	11.30	13.00
10	7.80	9.30	10.55	11.40	12.15	14.05
11	8.25	9.90	11.35	12.20	13.00	15.10
12	8.70	10.55	12.10	13.00	13.90	16.15
13	9.10	11.20	12.80	13.80	14.75	17.20
14	9.55	11.85	13.60	14.55	15.60	18.25
15	10.00	12.45	14.35	15.35	16.50	19.30
16	10.40	13.15	15.05	16.15	17.35	20.35
17	10.85	13.75	15.80	16.95	18.20	21.40
18	11.30	14.35	16.50	17.75	19.05	22.45
19	11.70	15.05	17.25	18.55	19.95	23.50
20	12.15	15.65	17.95	19.30	20.80	24.55
21	12.60	16.35	18.70	20.10	21.65	25.60
22	13.00	16.95	19.40	20.90	22.55	26.65
23	13.45	17.55	20.15	21.70	23.40	27.70
24	13.85	18.25	20.85	22.50	24.25	28.75
25	14.30	18.85	21.60	23.25	25.15	29.85
26	14.75	19.50	22.30	24.05	26.00	30.90
27	15.15	20.15	23.00	24.85	26.85	31.95
28	15.60	20.80	23.75	25.65	27.70	33.00
29	16.05	21.40	24.45	26.45	28.60	34.05
30	16.45	22.10	25.20	27.20	29.45	35.10
31	16.90	22.70	25.90	28.00	30.30	36.15
32	17.35	23.40	26.65	28.80	31.20	37.20
33	17.75	24.00	27.35	29.60	32.05	38.25
34	18.20	24.60	28.10	30.40	32.90	39.30
35	18.60	25.30	28.80	31.20	33.75	40.35
36	19.05	25.90	29.55	31.95	34.65	41.40
37	19.50	26.55	30.25	32.75	35.50	42.45
38	19.90	27.20	31.00	33.55	36.35	43.50
39	20.35	27.80	31.70	34.35	37.25	44.55
40	20.80	28.45	32.40	35.15	38.10	45.60
41	21.20	29.10	33.15	35.90	38.95	46.65
42	21.65	29.75	33.85	36.70	39.85	47.70
43	22.10	30.35	34.60	37.50	40.70	48.80
44	22.50	31.05	35.30	38.30	41.55	49.85
45	22.95	31.65	36.05	39.10	42.40	50.90
46	23.35	32.35	36.75	39.85	43.30	51.95
47	23.80	32.95	37.50	40.65	44.15	53.00
48	24.25	33.55	38.20	41.45	45.00	54.05
49	24.65	34.25	38.95	42.25	45.90	55.10

FIRST-CLASS MAIL RATE SCHEDULE 223—PRIORITY MAIL SUBCLASS*—Continued
[Dollars]

Weight not exceeding (pounds)	L,1,2,3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
50	25.10	34.85	39.65	43.05	46.75	56.15
51	25.55	35.50	40.35	43.85	47.60	57.20
52	25.95	36.15	41.10	44.60	48.50	58.25
53	26.40	36.80	41.80	45.40	49.35	59.30
54	26.85	37.40	42.55	46.20	50.20	60.35
55	27.25	38.05	43.25	47.00	51.05	61.40
56	27.70	38.70	44.00	47.80	51.95	62.45
57	28.10	39.35	44.70	48.55	52.80	63.50
58	28.55	40.00	45.45	49.35	53.65	64.55
59	29.00	40.60	46.15	50.15	54.55	65.60
60	29.40	41.30	46.90	50.95	55.40	66.65
61	29.85	41.90	47.60	51.75	56.25	67.75
62	30.30	42.50	48.35	52.50	57.10	68.80
63	30.70	43.20	49.05	53.30	58.00	69.85
64	31.15	43.80	49.75	54.10	58.85	70.90
65	31.60	44.45	50.50	54.90	59.70	71.95
66	32.00	45.10	51.20	55.70	60.60	73.00
67	32.45	45.75	51.95	56.50	61.45	74.05
68	32.90	46.35	52.65	57.25	62.30	75.10
69	33.30	47.05	53.40	58.05	63.20	76.15
70	33.75	47.65	54.10	58.85	64.05	77.20

***Notes:**

1. The 2-pound rate is charged for matter sent in a 'flat rate' envelope provided by the Postal Service.
2. Add \$4.95 for each pickup stop.
3. Pieces presented in mailings of at least 300 pieces and meeting applicable Postal Service regulations for presorted Priority Mail receive the 11 cents per-piece discount.
4. EXCEPTION: Parcels weighing less than 15 pounds, measuring over 84 inches in length and girth combined, are chargeable with a minimum rate equal to that for a 15-pound parcel for the zone to which addressed.

**STANDARD MAIL RATE SCHEDULE
321.1—SINGLE PIECE SUBCLASS**

	Rate ¹ (cents)
Basic:	
One ounce or less	32
Not more than two ounces	55
Not more than three ounces .	78
Not more than four ounces ...	101
Not more than five ounces	124
Not more than six ounces	147
Not more than seven ounces	170
Not more than eight ounces ..	193
Not more than nine ounces ...	216
Not more than ten ounces	239
Not more than eleven ounces	262
Not more than thirteen ounces	290
More than thirteen ounces but less than sixteen ounces	295
Nonstandard Surcharge ²	11
Keys and Identification Devices:	
First 2 ounces	99
Each additional 2 ounces	55

Schedule 321.1 Notes:

¹When the postage rate computed at the single piece rate is higher than the rate prescribed in the other Standard Class parcel categories contained in rate schedules 322.1, 322.2, 322.3, or 323.1 for which the piece qualifies, the lower rate applies.

²Applies only to pieces weighing one ounce or less.

**STANDARD MAIL RATE SCHEDULE
321.2A—REGULAR SUBCLASS**

[Presort Category 1¹]

	Rate (cents)
Letter Size:	
Piece Rate:	
Basic	25.6
3/5-Digit	20.9
Destination Entry Discount per Piece:	
BMC	1.3
SCF	1.8
Non-Letter Size:	
Piece Rate:	
Minimum per Piece: ²	
Basic	30.6
3/5-Digit	22.5
Destination Entry Discount per Piece:	
BMC	1.3
SCF	1.8
Pound Rate ²	67.7
Plus per Piece Rate:	
Basic	16.6
3/5-Digit	8.5
Destination Entry Discount per Pound:	
BMC	6.4
SCF	8.5

Schedule 321.2A Notes:

¹A fee of \$85.00 must be paid each 12-month period for each bulk mailing permit.

²Mailer pays either the minimum piece rate or the pound rate, whichever is higher.

**STANDARD MAIL RATE SCHEDULE
321.2B—REGULAR SUBCLASS**

[Automation category: 1¹]

	Rate (cents)
Letter Size: ²	
Piece Rate:	
Basic Letter ³	18.3
3-Digit Letter ⁴	17.5
5-Digit Letter ⁵	15.5
Destination Entry Discount per Piece:	
BMC	1.3
SCF	1.8
Flat Size: ⁶	
Piece Rate:	
Minimum per Piece: ⁷	
Basic Flat ⁸	27.7
3/5-Digit Flat ⁹	18.9
Destination Entry Discount per Piece:	
BMC	1.3
SCF	1.8
Pound Rate: ⁷	67.7
Plus per piece Rate:	
Basic Flat	13.7
3/5-Digit Flat	4.9
Destination Entry Discount per Pound:	
BMC	6.4
SCF	8.5

Schedule 321.2B Notes:

¹A fee of \$85.00 must be paid once each 12-month period for each bulk mailing permit.

²For letter-size automation pieces meeting applicable Postal Service regulations.

³Rate applies to letter-size automation mail not mailed at 3-digit, 5-digit or carrier route rates.

⁴Rate applies to letter-size automation mail presorted to single or multiple three-digit ZIP Code destinations as prescribed by the Postal Service.

⁵Rate applies to letter-size automation mail presorted to single or multiple five-digit ZIP Code destinations as prescribed by the Postal Service.

⁶For flat-size automation mail meeting applicable Postal Service regulations.

⁷Mailer pays minimum piece rate or pound rate, whichever is higher.

⁸Rate applies to flat-size automation mail not mailed at 3/5-digit rate.

⁹Rate applies to flat-size automation mail presorted to single or multiple three- and five-digit ZIP Code destinations as specified by the Postal Service.

STANDARD MAIL RATE SCHEDULE 321.3—ENHANCED CARRIER ROUTE SUBCLASS ¹

	Rate (cents)
Letter Size:	
Piece Rate:	
Basic	15.0
Basic Automated Letter ²	14.6
High Density	14.2
Saturation	13.3
Destination Entry Discount per Piece:	
BMC	1.3
SCF	1.8
DDU ³	2.3
Non-Letter Size:	
Piece Rate:	
Minimum per Piece: ⁴	
Basic	15.5
High Density	14.7
Saturation	13.7
Destination Entry Discount per Piece:	
BMC	1.3
SCF	1.8
DDU ³	2.3
Pound Rate ⁴	66.3
Plus per Piece Rate:	
Basic	1.8
High Density	1.0
Saturation	0.0
Destination Entry Discount per Pound:	
BMC	6.4
SCF	8.5

STANDARD MAIL RATE SCHEDULE 321.3—ENHANCED CARRIER ROUTE SUBCLASS ¹—Continued

	Rate (cents)
DDU ³	11.1

Schedule 321.3 Notes:

¹A fee of \$85.00 must be paid each 12-month period for each bulk mailing permit.

²Rate applies to letter-size automation mail presorted to routes specified by the Postal Service.

³Applies only to enhanced carrier route mail.

⁴Mailer pays either the minimum piece rate or the pound rate, whichever is higher.

STANDARD MAIL RATE SCHEDULE 321.4—NONPROFIT SUBCLASS ¹

[Full rates]	
	Piece Rate (cents)
Letter Size:	
Piece rate	13.5
Discounts (per piece):	
Destination Entry:	
BMC	1.2
SCF	1.8
Delivery Office ²	2.3
Presort Level:	
3/5 Digit	1.3
Carrier Route	3.8
Saturation	4.1
Automation: ³	
ZIP+4 ⁴ :	
Basic	0.7
3/5 Digit ⁵	0.4
Barcode: ⁴	
Basic	1.8
3-Digit ⁵	1.0
5-Digit ⁵	1.8
Non-Letter Size:	
Piece Rate: ⁶	19.3
Discounts (per piece):	
Destination Entry:	
BMC	1.2
SCF	1.8
Delivery Office ²	2.3
Presort Level:	
3/5 Digit	1.4
Carrier Route	4.7
125-Piece Walk Sequence	4.9

STANDARD MAIL RATE SCHEDULE 321.4—NONPROFIT SUBCLASS ¹— Continued

[Full rates]		
	Piece rate (cents)	Pound rate (cents)
Saturation		5.4
Automation: ⁷		
Barcode: ⁴		
Basic	2.6	
3/5 Digit	1.8	
Pound Rate: ⁶		
Pound Rate plus Per-Piece Rate ..	7.9	54.7
Discounts:		
Destination Entry (per pound):		
BMC		6.0
SCF		8.4
Delivery Office ²		10.8
Presort Level (per piece):		
3/5 Digit	1.4	
Carrier Route ..	4.7	
125-Piece Walk Sequence	4.9	
Saturation	5.4	
Automation (per piece): ⁷		
Barcode: ⁴ :		
Basic	2.6	
3/5 Digit	1.8	

Schedule 321.4 Notes

¹A fee of \$85.00 must be paid once each 12-month period for each bulk mailing permit.

²Applies only to carrier route presort, 125-piece walk sequence and saturation mail.

³For letter-size pieces meeting applicable Postal Service regulations.

⁴Among ZIP+4 and barcode discounts, only one discount may be applied.

⁵Deducted from otherwise applicable 3/5-digit rate.

⁶Mailer pays either the piece or the pound rate, whichever is higher.

⁷For flat-size pieces meeting applicable Postal Service regulations.

STANDARD MAIL RATE SCHEDULE 322.1A—PARCEL POST SUBCLASS; BASIC RATES *

[Dollars]

Weight not exceeding (pounds)	Local	Zone 1/2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
2	2.56	2.63	2.79	2.87	2.95	2.95	2.95	2.95
3	2.63	2.76	3.00	3.34	3.68	3.95	3.95	3.95
4	2.71	2.87	3.20	3.78	4.68	4.95	4.95	4.95
5	2.77	2.97	3.38	4.10	5.19	5.56	5.95	5.95
6	2.84	3.07	3.55	4.39	5.67	6.90	7.75	7.95
7	2.90	3.16	3.71	4.67	6.11	7.51	9.15	9.75
8	2.96	3.26	3.85	4.91	6.53	8.08	9.94	11.55
9	3.01	3.33	3.99	5.16	6.92	8.62	10.65	12.95
10	3.07	3.42	4.12	5.38	7.29	9.12	11.31	14.00
11	3.12	3.49	4.25	5.59	7.63	9.59	11.93	15.05
12	3.17	3.57	4.37	5.79	7.96	10.03	12.52	16.10

STANDARD MAIL RATE SCHEDULE 322.1A—PARCEL POST SUBCLASS; BASIC RATES*—Continued
[Dollars]

Weight not exceeding (pounds)	Local	Zone 1/2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
13	3.23	3.64	4.47	5.98	8.26	10.45	13.07	17.15
14	3.27	3.71	4.59	6.16	8.55	10.84	13.59	18.20
15	3.32	3.77	4.69	6.34	8.82	11.22	14.08	19.25
16	3.37	3.83	4.79	6.50	9.09	11.58	14.55	20.30
17	3.41	3.90	4.88	6.66	9.33	11.92	15.00	21.35
18	3.45	3.95	4.97	6.81	9.58	12.24	15.42	22.40
19	3.49	4.02	5.06	6.95	9.80	12.55	15.83	23.25
20	3.54	4.07	5.14	7.08	10.01	12.84	16.21	23.84
21	3.57	4.12	5.23	7.21	10.23	13.12	16.59	24.41
22	3.61	4.18	5.30	7.34	10.43	13.39	16.94	24.96
23	3.65	4.23	5.39	7.47	10.62	13.66	17.28	25.47
24	3.69	4.27	5.46	7.58	10.80	13.90	17.60	25.97
25	3.73	4.32	5.53	7.70	10.98	14.14	17.91	26.45
26	3.76	4.37	5.60	7.81	11.15	14.37	18.21	26.91
27	3.80	4.42	5.67	7.91	11.31	14.59	18.50	27.34
28	3.83	4.46	5.74	8.02	11.47	14.81	18.78	27.77
29	3.87	4.51	5.81	8.12	11.63	15.01	19.05	28.17
30	3.91	4.55	5.87	8.21	11.78	15.20	19.30	28.57
31	3.94	4.60	5.92	8.31	11.92	15.39	19.55	28.94
32	3.97	4.64	5.99	8.40	12.06	15.58	19.79	29.30
33	4.01	4.68	6.05	8.49	12.20	15.76	20.02	29.66
34	4.04	4.72	6.10	8.57	12.32	15.94	20.24	30.00
35	4.07	4.76	6.16	8.66	12.45	16.11	20.46	30.33
36	4.10	4.80	6.21	8.75	12.58	16.27	20.66	30.64
37	4.13	4.84	6.26	8.82	12.70	16.43	20.87	30.94
38	4.16	4.88	6.32	8.91	12.81	16.57	21.07	31.24
39	4.20	4.92	6.37	8.98	12.92	16.72	21.26	31.53
40	4.23	4.95	6.42	9.05	13.04	16.86	21.44	31.81
41	4.26	5.00	6.48	9.12	13.14	17.00	21.62	32.07
42	4.29	5.03	6.52	9.19	13.24	17.14	21.79	32.33
43	4.32	5.06	6.57	9.27	13.35	17.28	21.96	32.58
44	4.36	5.10	6.61	9.33	13.44	17.41	22.12	32.83
45	4.38	5.13	6.66	9.40	13.54	17.52	22.28	33.06
46	4.41	5.17	6.71	9.46	13.63	17.65	22.44	33.30
47	4.44	5.21	6.75	9.52	13.72	17.77	22.59	33.52
48	4.47	5.24	6.80	9.59	13.82	17.88	22.74	33.73
49	4.50	5.27	6.84	9.65	13.90	17.99	22.88	33.95
50	4.53	5.30	6.88	9.70	13.99	18.10	23.02	34.15
51	4.56	5.34	6.92	9.77	14.07	18.20	23.16	34.35
52	4.58	5.37	6.97	9.82	14.15	18.31	23.29	34.54
53	4.61	5.40	7.01	9.87	14.23	18.42	23.41	34.74
54	4.64	5.43	7.05	9.93	14.31	18.51	23.54	34.92
55	4.67	5.46	7.08	9.99	14.38	18.61	23.66	35.10
56	4.70	5.50	7.13	10.04	14.45	18.70	23.79	35.27
57	4.72	5.53	7.17	10.09	14.53	18.80	23.89	35.44
58	4.75	5.56	7.20	10.14	14.60	18.89	24.01	35.60
59	4.78	5.59	7.24	10.19	14.67	18.97	24.12	35.76
60	4.80	5.62	7.28	10.25	14.74	19.07	24.22	35.92
61	4.84	5.66	7.32	10.29	14.81	19.14	24.33	36.07
62	4.86	5.69	7.35	10.34	14.87	19.23	24.44	36.22
63	4.89	5.71	7.39	10.39	14.93	19.31	24.53	36.37
64	4.91	5.74	7.42	10.44	15.00	19.39	24.64	36.50
65	4.94	5.77	7.46	10.48	15.06	19.46	24.73	36.64
66	4.96	5.81	7.50	10.52	15.13	19.55	24.82	36.77
67	5.00	5.84	7.53	10.57	15.18	19.62	24.92	36.91
68	5.02	5.86	7.56	10.62	15.24	19.68	25.00	37.04
69	5.05	5.89	7.59	10.66	15.30	19.76	25.10	37.15
70	5.07	5.92	7.64	10.71	15.35	19.83	25.18	37.28

***NOTES:**

1. For Intra-BMC parcels, deduct: \$0.32
2. For nonmachinable Inter-BMC parcels, add: \$1.75
3. For each pickup stop, add: \$4.95

STANDARD MAIL RATE SCHEDULE 322.1B—PARCEL POST SUBCLASS; DESTINATION BMC RATES *
[dollars]

Weight not exceeding (pounds)	Zones 1/2	Zone 3	Zone 4	Zone 5
2	2.10	2.25	2.30	2.33
3	2.22	2.44	2.74	3.00
4	2.33	2.62	3.15	3.94
5	2.42	2.79	3.45	4.40
6	2.51	2.95	3.71	4.83
7	2.60	3.09	3.97	5.22
8	2.69	3.22	4.19	5.60
9	2.76	3.35	4.42	5.95
10	2.84	3.47	4.62	6.29
11	2.91	3.59	4.82	6.59
12	2.98	3.70	5.00	6.89
13	3.05	3.79	5.17	7.16
14	3.11	3.91	5.34	7.42
15	3.17	4.00	5.51	7.67
16	3.23	4.09	5.65	7.91
17	3.29	4.18	5.80	8.13
18	3.34	4.26	5.94	8.35
19	3.41	4.34	6.07	8.55
20	3.45	4.42	6.19	8.74
21	3.50	4.50	6.31	8.94
22	3.56	4.57	6.43	9.12
23	3.61	4.65	6.55	9.30
24	3.64	4.72	6.65	9.46
25	3.69	4.78	6.77	9.62
26	3.74	4.85	6.87	9.78
27	3.79	4.91	6.96	9.92
28	3.83	4.98	7.06	10.07
29	3.87	5.05	7.16	10.21
30	3.91	5.10	7.24	10.35
31	3.96	5.15	7.33	10.48
32	4.00	5.22	7.42	10.61
33	4.04	5.27	7.50	10.73
34	4.08	5.32	7.58	10.84
35	4.11	5.38	7.66	10.96
36	4.15	5.42	7.75	11.08
37	4.19	5.47	7.81	11.19
38	4.23	5.53	7.90	11.29
39	4.27	5.57	7.96	11.39
40	4.30	5.62	8.03	11.50
41	4.35	5.68	8.09	11.59
42	4.38	5.72	8.16	11.68
43	4.40	5.76	8.23	11.79
44	4.44	5.80	8.29	11.87
45	4.47	5.85	8.36	11.96
46	4.51	5.90	8.41	12.04
47	4.55	5.94	8.47	12.13
48	4.58	5.98	8.53	12.22
49	4.61	6.02	8.59	12.29
50	4.64	6.06	8.64	12.38
51	4.68	6.10	8.70	12.45
52	4.71	6.15	8.75	12.52
53	4.73	6.19	8.80	12.60
54	4.76	6.22	8.86	12.67
55	4.79	6.25	8.91	12.74
56	4.83	6.30	8.96	12.80
57	4.86	6.34	9.01	12.88
58	4.89	6.37	9.06	12.94
59	4.92	6.41	9.10	13.01
60	4.95	6.45	9.16	13.07
61	4.99	6.48	9.20	13.14
62	5.02	6.51	9.25	13.19
63	5.04	6.55	9.29	13.25
64	5.07	6.58	9.34	13.31
65	5.10	6.62	9.38	13.37
66	5.14	6.66	9.42	13.43
67	5.17	6.69	9.47	13.48
68	5.19	6.72	9.51	13.54
69	5.21	6.74	9.55	13.59
70	5.24	6.79	9.60	13.64

* A fee of \$85.00 must be paid each year.

STANDARD MAIL RATE SCHEDULE 322.3A—BOUND PRINTED MATTER SUBCLASS; SINGLE PIECE RATES*
(dollars)

Weight not exceeding (pounds)	Zones							
	Local	1 & 2	3	4	5	6	7	8
1.5	1.11	1.49	1.52	1.58	1.66	1.74	1.84	1.93
2	1.12	1.52	1.56	1.63	1.74	1.85	1.99	2.10
2.5	1.14	1.55	1.60	1.69	1.82	1.96	2.13	2.28
3	1.15	1.57	1.64	1.74	1.90	2.07	2.27	2.45
3.5	1.17	1.60	1.67	1.80	1.98	2.18	2.42	2.62
4	1.18	1.63	1.71	1.85	2.07	2.29	2.56	2.79
4.5	1.20	1.65	1.75	1.91	2.15	2.40	2.71	2.97
5	1.22	1.68	1.79	1.96	2.23	2.51	2.85	3.14
6	1.25	1.73	1.86	2.07	2.39	2.73	3.14	3.49
7	1.28	1.79	1.94	2.18	2.56	2.95	3.43	3.83
8	1.31	1.84	2.01	2.29	2.72	3.17	3.71	4.18
9	1.34	1.90	2.09	2.40	2.89	3.39	4.00	4.52
10	1.37	1.95	2.16	2.51	3.05	3.61	4.29	4.87
Per Piece Rate	1.06	1.41	1.41	1.41	1.41	1.41	1.41	1.41
Per Pound Rate	0.031	0.054	0.075	0.110	0.164	0.220	0.288	0.346

* Includes both catalogs and similar bound printed matter.

STANDARD MAIL RATE SCHEDULE 322.3B—BOUND PRINTED MATTER SUBCLASS; BULK AND CARRIER ROUTE PRESORT RATES¹
(Dollars)

Zone	Per-piece	Carrier route ²	Per-pound
Local	0.530	0.467	0.023
1 & 2	0.700	0.637	0.043
3	0.700	0.637	0.063
4	0.700	0.637	0.099
5	0.700	0.637	0.152
6	0.700	0.637	0.209
7	0.700	0.637	0.277
8	0.700	0.637	0.335

¹ Includes both catalogs and similar bound printed matter.

² Applies to mailings of at least 300 pieces presorted to carrier route as prescribed by the Postal Service.

STANDARD MAIL RATE SCHEDULES 323.1 & 323.2—SPECIAL AND LIBRARY RATE SUBCLASSES

Schedule 323.1: Special	Rates (cents)
First Pound Not presorted	124
LEVEL A Presort (5-digits) ^{1 2} ...	70
LEVEL B Presort (BMC) ^{1 3}	104
Each additional pound through 7 pounds	50
Each additional pound over 7 pounds	31

Schedule 323.2: Library	Full rates (cents)
First pound	112
Each additional pound through 7 pounds	42
Each additional pound over 7 pounds	22

Schedule 323.1 Notes:

¹ A fee of \$85.00 must be paid once each 12-month period for each permit.

² For mailings of 500 or more pieces properly prepared and presorted to five-digit destination ZIP Codes.

³ For mailings of 500 or more pieces properly prepared and presorted to Bulk Mail Centers.

PERIODICALS RATE SCHEDULE 421—REGULAR SUBCLASS^{1 2}

	Postage rate unit	Rate ³ (cents)
Per Pound:		
Nonadvertising Portion:	Pound	16.1
Advertising Portion:		
Delivery Office ⁴	Pound	16.9
SCF ⁵	Pound	19.0
1&2	Pound	21.4
3	Pound	22.4
4	Pound	25.1
5	Pound	29.2
6	Pound	33.6
7	Pound	38.8
8	Pound	43.2
Science of Agriculture:		
Delivery Office	Pound	12.7
SCF	Pound	14.3
Zones 1&2	Pound	16.1
Per Piece: Less Nonadvertising Factor of 5.7 cents:⁶		
Required Preparation ⁷	Piece	24.0
Presorted to 3-digit city/5-digit	Piece	20.2
Presorted to Carrier Route	Piece	11.9
Discounts:		
Prepared to Delivery Office ⁴	Piece	2.1
Prepared to SCF ⁵	Piece	1.1
High Density ⁸	Piece	0.8

PERIODICALS RATE SCHEDULE 421—REGULAR SUBCLASS ^{1 2}—Continued

	Postage rate unit	Rate ³ (cents)
Saturation ⁹	Piece	2.4
Automation Discounts for Automation Compatible Mail: ¹⁰		
From Required:		
Pre-barcoded letter size	Piece	4.6
Pre-barcoded flats	Piece	3.1
From 3/5 Digit:		
Pre-barcoded 3-digit letter size	Piece	2.9
Pre-barcoded 5-digit letter size	Piece	2.9
Pre-barcoded flats	Piece	2.7

Schedule 421 Notes:

¹ The rates in this schedule also apply to commingled nonsubscriber, non-requester, complimentary, and sample copies in excess of 10 percent allowance in regular-rate, non-profit, and classroom Periodicals mail.

² Rates do not apply to otherwise regular rate mail that qualifies for the Within-County rates in Schedule 423.2.

³ Charges are computed by adding the appropriate per-piece charge to the sum of the nonadvertising portion and the advertising portion, as applicable.

⁴ Applies to carrier route (including high density and saturation) mail delivered within the delivery area of the originating post office.

⁵ Applies to mail delivered within the SCF area of the originating SCF office.

⁶ For postage calculations, multiply the proportion of nonadvertising content by this factor and subtract from the applicable piece rate.

⁷ Mail presorted to 3-digit (other than 3-digit city), SCF, states, or mixed states.

⁸ Applicable to high density mail, deducted from carrier route presort rate.

⁹ Applicable to saturation mail, deducted from carrier route presort rate.

¹⁰ For automation compatible mail meeting applicable Postal Service regulations.

PERIODICALS RATE SCHEDULE 423.2—
WITHIN COUNTY
[Full rates]

	Rate (cents)
Per Pound:	
General	12.6
Delivery Office ¹	11.6
Per Piece:	
Required Presort	8.2
Carrier Route Presort	4.4
Per Piece Discounts:	
Delivery Office ²	0.3
125-piece Walk Sequence ³	0.5
Saturation	0.7

PERIODICALS RATE SCHEDULE 423.2—
WITHIN COUNTY—Continued
[Full rates]

	Rate (cents)
Automation Discounts for Automation Compatible Mail: ⁴	
From Required:	
ZIP+4 Letter size	0.4
3-digit Pre-barcoded Letter size	0.4
5-digit Pre-barcoded Letter size	1.7

PERIODICALS RATE SCHEDULE 423.2—
WITHIN COUNTY—Continued
[Full rates]

	Rate (cents)
3/5-digit Pre-barcoded Flats	1.5

¹ Applicable only to the pound charge of carrier route (including 125-piece walk sequence and saturation) presorted pieces to be delivered within the delivery area of the originating post office.

² Applicable only to carrier presorted pieces to be delivered within the delivery area of the originating post office.

³ Applicable only to batches of 125 or more pieces from carrier presorted pieces.

⁴ For automation compatible pieces meeting applicable Postal Service regulations.

PERIODICALS RATE SCHEDULE 423.3—PUBLICATIONS OF AUTHORIZED NONPROFIT ORGANIZATIONS¹⁰

[Full rates]

	Postage rate unit	Rate ¹ (cents)
Per Pound:		
Nonadvertising portion	Pound	14.3
Advertising portion: ⁹		
Delivery Office ²	Pound	18.0
SCF ³	Pound	19.1
1&2	Pound	21.2
3	Pound	22.3
4	Pound	25.0
5	Pound	29.2
6	Pound	33.5
7	Pound	38.8
8	Pound	43.2
Per Piece: Less Nonadvertising Factor of 4.2 cents: ⁴		
Required Preparation ⁵	Piece	21.3
Presorted to 3-digit city/5-digit	Piece	16.2
Presorted to Carrier Route	Piece	11.7
Discounts:		
Prepared to Delivery Office ²	Piece	0.6
Prepared to SCF	Piece	0.4

PERIODICALS RATE SCHEDULE 423.3—PUBLICATIONS OF AUTHORIZED NONPROFIT ORGANIZATIONS¹⁰—Continued
[Full rates]

	Postage rate unit	Rate ¹ (cents)
125-Piece Walk Sequence ⁶	Piece	0.2
Saturation ⁷	Piece	0.8
Automation Discounts for Automation Compatible Mail: ⁸		
From Required:		
ZIP+4 Letter size	Piece	0.8
Pre-barcoded Letter size	Piece	2.0
Pre-barcoded Flats	Piece	2.7
From 3/5 Digit:		
ZIP + 4 Letter size	Piece	0.5
3-Digit Pre-barcoded Letter size	Piece	1.2
5-Digit Pre-barcoded Letter size	Piece	2.0
Pre-barcoded Flats	Piece	1.8

Schedule 423.3 Notes:

¹ Charges are computed by adding the appropriate per-piece charge to the sum of the nonadvertising portion and the advertising portion, as applicable.

² Applies to carrier route (including 125-piece walk sequence and saturation) mail delivered within the delivery area of the originating post office.

³ Applies to mail delivered within the SCF area of the originating SCF office.

⁴ For postage calculation, multiply the proportion of nonadvertising content by this factor and subtract from the applicable piece rate.

⁵ Mail presorted to 3-digit (other than 3-digit city), SCF, states, or mixed states.

⁶ For walk sequenced mail in batches of 125 pieces or more from carrier route presorted mail.

⁷ Applicable to saturation mail; deduct from carrier route presorted rate.

⁸ For automation compatible mail meeting applicable Postal Service regulations.

⁹ Not applicable to publications containing 10 percent or less advertising content.

¹⁰ If qualified, nonprofit publications may use Within-County rates for applicable portions of a mailing.

PERIODICALS RATE SCHEDULE 423.4—CLASSROOM PUBLICATIONS¹⁰

[Full rates]

	Postage rate unit	Rate ¹ (cents)
Per Pound:		
Nonadvertising Portion	Pound	11.3
Advertising Portion: ⁹		
Delivery Office ²	Pound	18.0
SCF ³	Pound	19.1
1&2	Pound	21.2
3	Pound	22.3
4	Pound	25.0
5	Pound	29.2
6	Pound	33.5
7	Pound	38.8
8	Pound	43.2
Per Piece: Less Nonadvertising Factor of 3.5 cents: ⁴		
Required Preparation ⁵	Piece	17.1
Presorted to 3-digit city/5-digit	Piece	12.8
Presorted to Carrier Route	Piece	9.0
Discounts:		
Prepared to Delivery Office ²	Piece	0.5
Prepared to SCF	Piece	0.3
125-Piece Walk Sequence ⁶	Piece	0.2
Saturation ⁷	Piece	0.7
Automation Discounts for Automation Compatible Mail: ⁸		
From Required:		
ZIP+4 Letter size	Piece	0.7
Pre-barcoded Letter size	Piece	1.7
Pre-barcoded Flats	Piece	2.3
From 3/5 Digit:		
ZIP+4 Letter size	Piece	0.4
3-Digit Pre-barcoded Letter size	Piece	1.0
5-Digit Pre-barcoded Letter size	Piece	1.7
Pre-barcoded Flats	Piece	1.5

Schedule 423.4 Notes:

¹ Charges are computed by adding the appropriate per-piece charge to the sum of the nonadvertising portion and the advertising portion, as applicable.

² Applies to carrier route (including 125-piece walk sequence and saturation) mail delivered within the delivery area of the originating post office.

³ Applies to mail delivered within the SCF area of the originating SCF office.

⁴ For postage calculation, multiply the portion of nonadvertising content by this factor and subtract from the applicable piece rate.

⁵ Mail presorted to 3-digit (other than 3-digit city), SCF, states, or mixed states.

⁶ For walk sequenced mail in batches of 125 pieces or more from carrier route presorted mail.

⁷ Applicable to saturation mail; deduct from carrier route presorted mail.

⁸ For automation compatible mail meeting applicable Postal Service regulations.

⁹ Not applicable to publications containing 10 percent or less of advertising content.

¹⁰ If qualified, classroom publications may use Within-County rates for applicable portions of a mailing.

SPECIAL SERVICES		SCHEDULE SS-4—CERTIFICATES OF MAILING—Continued		SCHEDULE SS-6—COLLECT ON DELIVERY—Continued	
	Fee		Fee (in addition to postage)		Fee (in addition to postage)
Schedule SS-1—Address Corrections					
Per manual correction	\$0.50			\$100.01 to \$200	5.50
Per automated correction	0.20			\$200.01 to \$300	6.50
Schedule SS-2—Business Reply Mail				\$300.01 to \$400	7.50
Active business reply advance deposit account:		Each additional copy of original certificate of mailing or original mailing receipt for registered, insured, certified, and COD mail (each copy) .	0.55	\$400.01 to \$500	8.50
Per Piece: Pre-barcoded	0.02	Bulk Pieces:		\$500.01 to \$600	9.50
Other	0.10	Identical pieces of First-Class and Single Piece, Regular, Enhanced Carrier Route and Nonprofit Standard Mail paid with ordinary stamps, precanceled stamps, or meter stamps are subject to the following fees:		Notice of nondelivery of COD	2.80
Payment of postage due charges if active business reply mail advance deposit account not used: Per Piece	0.44	Up to 1,000 pieces (one certificate for total number)	2.75	Alteration of COD charges or designation of new addressee	2.80
Annual License and Accounting Fees:		Each additional 1,000 pieces or fraction	0.35	Registered COD	3.50
Accounting Fee for Advance Deposit Account	205.00	Duplicate copy	0.55		
Permit Fee (with or without Advance Deposit Account)	85.00			SCHEDULE SS-8—MONEY ORDERS	
SCHEDULE SS-4—CERTIFICATES OF MAILING		Schedule SS-5—Certified Mail			
	Fee (in addition to postage)	Per piece	1.10		Fee
Individual Pieces:		SCHEDULE SS-6—COLLECT ON DELIVERY		Domestic: \$0.01 to \$700	\$0.85
Original certificate of mailing for listed pieces of all classes of ordinary mail (per piece)	\$0.55			APO-FPO: \$0.01 to \$700	0.30
Three or more pieces individually listed in a firm mailing book or an approved customer provided manifest (per piece)	0.20	Amount to be collected, or insurance coverage desired:		Inquiry Fee, which includes the issuance of copy of a paid money order	2.75
		\$ 0.01 to \$50	\$3.50		
		\$ 50.01 to \$100	4.50		
SCHEDULE SS-10—POST OFFICE BOXES AND CALLER SERVICE		Group I—Offices With City Carrier Service		SCHEDULE SS-9—INSURED MAIL	
					Liability:
				\$ 0.01 to \$50	\$0.75
				\$ 50.01 to \$100	\$1.60
				\$100.01 to \$200	\$2.50
				\$200.01 to \$300	\$3.40
				\$300.01 to \$400	\$4.30
				\$400.01 to \$500	\$5.20
				\$500.01 to \$600	\$6.10

SCHEDULE SS-10—POST OFFICE BOXES AND CALLER SERVICE

Group I—Offices With City Carrier Service

Box size	Box Capacity (cu. in.)	Semi-annual Fees (\$)		
		IA	IB	IC
A. Post Office Box Semi-Annual Rental Rate				
1	Under 296	\$24.00	\$22.00	\$20.00
2	296–499	37.00	33.00	29.00
3	500–999	64.00	56.00	52.00
4	1000–1999	105.00	95.00	86.00
5	2000 & over	174.00	155.00	144.00
Group II—Offices Without City Carrier Service				
1	Annual	8.00		
2	Annual	13.00		
3	Semi-annual	12.00		
4	Semi-annual	17.50		
5	Semi-annual	27.50		

SCHEDULE SS-10—POST OFFICE BOXES AND CALLER SERVICE—Continued

Group I—Offices With City Carrier Service

Box size	Box Capacity (cu. in.)	Semi-annual Fees (\$)		
		IA	IB	IC
Group III—Offices Without Rural Carrier Service				
Box sizes, 1–5 annual	2.00			
B. Caller Service				
For Caller Service, semi-annual		250.00	240.00	225.00
For Each Reserved Call Number, annual		30.00		

SCHEDULE SS-11a—ZIP CODING OF MAILING LISTS

	Fee
Per thousand addresses	\$60.00

SCHEDULE SS-11b—CORRECTION OF MAILING LISTS

	Fee
Per submitted address	\$0.17
Minimum charge per list corrected ...	5.50

SCHEDULE SS-11c—ADDRESS CHANGES FOR ELECTION BOARDS AND REGISTRATION COMMISSIONS

	Fee
Per change of address	\$0.17

SCHEDULE SS-11d—CORRECTIONS ASSOCIATED WITH ARRANGEMENT OF ADDRESS CARDS IN CARRIER DELIVERY SEQUENCE

	Fee
Per correction	\$0.17

Note: When rural routes have been consolidated or changed to another post office, no charge will be made for correction if the list contains only names of persons residing on the route or routes involved.

SCHEDULE SS-12—ON-SITE METER SETTING

	Fee
First Meter:	
By appointment	\$27.50
Unscheduled request	31.00
Additional meters	3.25

SCHEDULE SS-12—ON-SITE METER SETTING—Continued

	Fee
Checking meter in or out of service (per meter)	7.50

SCHEDULE SS-13—PARCEL AIR LIFT

	Fee (in addition to Parcel Post Postage)
Up to 2 pounds	\$0.40
Over 2 up to 3 pounds	0.75
Over 3 up to 4 pounds	1.15
Over 4 pounds	1.55

SCHEDULE SS-14—REGISTERED MAIL

Value	Fees (in addition to postage)	
	For Articles Covered by Insurance	For Articles Not Covered by Insurance
\$0.00 to \$100	\$4.95	\$4.85
\$100.01 to \$500	5.40	5.20
\$500.01 to \$1,000	5.85	5.55
\$1,000.01 to \$2,000	6.30	5.90
\$2,000.01 to \$3,000	6.75	6.25
\$3,000.01 to \$4,000	7.20	6.60
\$4,000.01 to \$5,000	7.65	6.95
\$5,000.01 to \$6,000	8.10	7.30
\$6,000.01 to \$7,000	8.55	7.65
\$7,000.01 to \$8,000	9.00	8.00
\$8,000.01 to \$9,000	9.45	8.35
\$9,000.01 to \$10,000	9.90	8.70
\$10,000.01 to \$11,000	10.35	9.05
\$11,000.01 to \$12,000	10.80	9.40
\$12,000.01 to \$13,000	11.25	9.75
\$13,000.01 to \$14,000	11.70	10.10
\$14,000.01 to \$15,000	12.15	10.45
\$15,000.01 to \$16,000	12.60	10.80
\$16,000.01 to \$17,000	13.05	11.15
\$17,000.01 to \$18,000	13.50	11.50
\$18,000.01 to \$19,000	13.95	11.85
\$19,000.01 to \$20,000	14.40	12.20
\$20,000.01 to \$21,000	14.85	12.55
\$21,000.01 to \$22,000	15.30	12.90

SCHEDULE SS-14—REGISTERED MAIL—Continued

Value	Fees (in addition to postage)	
	For Articles Covered by Insurance	For Articles Not Covered by Insurance
\$22,000.01 to \$23,000	15.75	13.25
\$23,000.01 to \$24,000	16.20	13.60
\$24,000.01 to \$25,000	16.65	13.95
25,000.01 to \$1,000,000	16.65	13.95
Plus handling charge per \$1,000 or fraction over first \$25,000	0.45	0.35
\$1,000,000 to \$15,000,000	455.40	355.20
Plus handling charge per \$1,000 or fraction over first \$1,000,000	0.45	0.35
Over \$15,000,000: additional charges may be based on consideration of weight, space and value.		

SCHEDULE SS-15—RESTRICTED DELIVERY

Description	Fee (in addition to postage)
Per Piece	\$2.75

SCHEDULE SS-18—SPECIAL HANDLING

	Fee (in addition to postage)
Not more than 10 pounds	\$5.40
More than 10 pounds	7.50

SCHEDULE SS-20—MERCHANDISE RETURN

	Fee
Per Transaction: Shipper must have an advance deposit account (see DMCS Schedule 1000)	\$0.30

SCHEDULE SS-16—RETURN RECEIPTS

Description	Fee (in addition to postage)
Requested at time of mailing:	
Showing to whom (signature) and date delivered	\$1.10
Merchandise only—without another special service	1.20
Showing to whom (signature) and date and address where delivered	1.50
Merchandise only—without another special service	1.65
Requested after mailing: Showing to whom and date delivered	6.60

SCHEDULE SS-19—STAMPED ENVELOPES

	Fee
Single Sale	\$0.06
Bulk (500) #6¾ size:	
Regular	8.20
Window	9.00
Bulk (500) size > #6¾ through #10: ¹	
Regular	12.00
Window	13.00
Multi-Color Printing (500):	
#6¾ size	10.50
#10 size ¹	15.00
Printing Charge per 500 Envelopes (for each type of printed envelope):	
Minimum Order (500 envelopes)	4.40
Order for 1,000 or more envelopes	4.40
Double Window (500)—size > #6¾ through #10: ¹	15.00
Household (50):	
Size #6¾:	
Regular	3.00
Window	3.10
Size > #6¾ through #10:	
Regular	3.20
Window	3.30

SCHEDULE 1000—FEES

	Fee
First-Class Presorted Mailing Fee	\$85.00
Periodicals Fees:	
A. Original Entry	305.00
B. Additional Entry	85.00
C. Re-entry	50.00
D. Registration for News Agents	50.00
Regular, Enhanced Carrier Route and Nonprofit Standard Mail Bulk Mailing Fee	85.00
Parcel Post: Destination BMC	85.00
Special Standard Mail Presorted Mailing Fee	85.00
Authorization to Use Permit Imprint .	85.00
Merchandise Return (per facility receiving merchandise return labels)	85.00
Business Reply Mail Permit	85.00

SCHEDULE SS-17—SPECIAL DELIVERY

	Fee (in addition to postage)
First-Class and Priority Mail:	
Not more than 2 pounds	\$9.95
Over 2 pounds but not over 10 pounds	10.35
Over 10 pounds	11.15
All Other Classes:	
Not more than 2 pounds	10.45
Over 2 pounds but not over 10 pounds	11.25
Over 10 pounds	12.10

¹Fee for precancelled envelopes is the same.

[FR Doc. 96-5499 Filed 3-5-96; 3:54 pm]

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Tuesday
March 12, 1996

Part IV

**General Services
Administration**

41 CFR Chapter 301
Federal Travel Regulation; Maximum Per
Diem Rates; Final Rules

**GENERAL SERVICES
ADMINISTRATION****41 CFR Chapter 301**

[FTR Amendment 47]

RIN 3090-AF79

**Federal Travel Regulation; Maximum
Per Diem Rates****AGENCY:** Office of Policy, Planning and
Evaluation, GSA.**ACTION:** Final rule.

SUMMARY: An analysis of lodging and meal cost survey data reveals that the listing of maximum per diem rates for locations within the continental United States (CONUS) should be updated to provide for the reimbursement of Federal employees' expenses covered by per diem. This final rule increases/decreases the maximum lodging and meals and incidental expenses amounts in certain existing per diem localities, adds new per diem localities, and defines a time frame for submission to the General Services Administration

(GSA) of rate adjustment requests for travel within CONUS.

DATES: *Effective date:* This final rule is effective April 1, 1996.*Applicability date:* The per diem rates in this final rule apply for travel performed on or after April 1, 1996.**FOR FURTHER INFORMATION CONTACT:**

Travel and Transportation Management Policy Division (MTT), Washington, DC 20405, Jane Groat, (703) 305-5745..

SUPPLEMENTARY INFORMATION: GSA has determined that this rule is not a significant regulatory action for the purposes of Executive Order 12866 of September 30, 1993. This final rule is not required to be published in the **FEDERAL REGISTER** for notice and comment. Therefore, the Regulatory Flexibility Act does not apply.

List of Subjects in 41 CFR Part 301-7

Government employees, Travel and transportation expenses.

For the reasons set out in the preamble, under 5 U.S.C. 5701-5709, 41 CFR chapter 301 is amended as follows:

**PART 301-7—PER DIEM
ALLOWANCES**

1. The authority citation for part 301-7 continues to read as follows:

Authority: 5 U.S.C. 5701-5709; E.O. 11609, 36 FR 13747, 3 CFR, 1971-1975 Comp., p. 586.

§ 301-7.4 [Amended]

2. Section 301-7.4 is amended by adding the following sentence at the end of paragraph (a):

§ 301-7.4 Rate adjustment requests for travel within CONUS.

(a) *** Agencies should submit their requests to GSA no later than May 1 of each year in order for the city or area to be included in the annual survey.

* * * * *

**APPENDIX A—PRESCRIBED
MAXIMUM PER DIEM RATES FOR
CONUS**

3. Appendix A to chapter 301 is revised to read as follows:

APPENDIX A TO CHAPTER 301—PRESCRIBED MAXIMUM PER DIEM RATES FOR CONUS

The maximum rates listed below are prescribed under § 301-7.3(a) of this chapter for reimbursement of per diem expenses incurred during official travel within CONUS (the continental United States). The amount shown in column (a) is the maximum that will be reimbursed for lodging expenses including applicable taxes. The M&IE rate shown in column (b) is a fixed amount allowed for meals and incidental expenses covered by per diem. The per diem payment calculated in accordance with part 301-7 of this chapter for lodging expenses plus the M&IE rate may not exceed the maximum per diem rate shown in column (c). Seasonal rates apply during the periods indicated.

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	= Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}				
CONUS, Standard rate .....	.....	\$40		\$26	\$66
(Applies to all locations within CONUS not specifically listed below or encompassed by the boundary definition of a listed point. However, the standard CONUS rate applies to all locations within CONUS, including those defined below, for certain relocation subsistence allowances. See parts 302-2, 302-4, and 302-5 of this subtitle.)					
ALABAMA					
Anniston	Calhoun	42		26	68
Birmingham	Jefferson	55		30	85
Dothan	Houston	44		26	70
Florence	Lauderdale	41		26	67
Gulf Shores	Baldwin				
(May 1-September 30) .....	.....	112		30	142
(October 1-April 30) .....	.....	67		30	97
Huntsville	Madison	61		30	91
Mobile	Mobile	55		34	89
Montgomery	Montgomery	57		26	83
Sheffield	Colbert	55		30	85
Tuscaloosa	Tuscaloosa	53		26	79
ARIZONA					
Casa Grande	Pinal	51		26	77
Chinle	Apache				
(April 1-October 31) .....	.....	83		26	109
(November 1-March 31) .....	.....	67		26	93
Flagstaff	All points in Coconino County not covered under Grand Canyon per diem area.				
(April 1-October 31) .....	.....	79		30	109
(November 1-March 31) .....	.....	59		30	89
Grand Canyon	All points in the Grand Canyon National Park and Kaibab National Forest within Coconino County.	105		34	139

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
Kayenta	Navajo					
(April 1–October 14) .....	.....	78		26		104
(October 15–March 31) .....	.....	58		26		84
Phoenix/Scottsdale	Maricopa					
(October 1–May 14) .....	.....	96		34		130
(May 15–September 30) .....	.....	62		34		96
Prescott	Yavapai					
(April 1–September 30) .....	.....	54		30		84
(October 1–March 31) .....	.....	48		30		78
Sierra Vista	Cochise	48		30		78
Tucson	Pima County; Davis-Monthan AFB					
(November 1–May 31) .....	.....	66		30		96
(June 1–October 31) .....	.....	60		30		90
Yuma	Yuma	60		26		86
ARKANSAS						
Fayetteville	Washington	50		26		76
Fort Smith	Sebastian	47		26		73
Helena	Phillips	47		26		73
Hot Springs	Garland	59		30		89
Little Rock	Pulaski	61		30		91
Texarkana	Miller (See also Texarkana, TX)	43		30		73
CALIFORNIA						
Bridgeport	Mono					
(April 1–October 31) .....	.....	64		34		98
(November 1–March 31) .....	.....	55		34		89
Chico	Butte	55		30		85
Clearlake	Lake	58		26		84
Death Valley	Inyo	87		34		121
El Centro	Imperial	47		30		77
Eureka	Humboldt					
(May 15–October 14) .....	.....	66		30		96
(October 15–May 14) .....	.....	56		30		86
Fresno	Fresno	68		34		102
Gualala/Point Arena	Mendocino	109		38		147
Los Angeles	Los Angeles, Kern, Orange and Ventura Counties; Edwards AFB; Naval Weapons Center and Ordnance Test Station, China Lake	97		38		135
Madera	Madera	41		26		67
Merced	Merced	51		30		81
Modesto	Stanislaus	58		34		92
Monterey	Monterey					
(June 1–October 31) .....	.....	83		34		117
(November 1–May 31) .....	.....	71		34		105
Napa	Napa					
(April 1–October 31) .....	.....	83		34		117
(November 1–March 31) .....	.....	74		34		108
Oakland	Alameda, Contra Costa and Marin	75		34		109
Ontario/Victorville/Barstow	San Bernardino	60		38		98
Palm Springs	Riverside	72		38		110
Palo Alto/San Jose	Santa Clara	90		38		128
Redding	Shasta	55		34		89
Sacramento	Sacramento	71		34		105
San Diego	San Diego	81		34		115
San Francisco	San Francisco	114		38		152
San Luis Obispo	San Luis Obispo	71		34		105
San Mateo/Redwood City	San Mateo	82		34		116
Santa Barbara	Santa Barbara					
(June 1–September 30) .....	.....	96		30		126
(October 1–May 31) .....	.....	88		30		118
Santa Cruz	Santa Cruz					
(June 1–September 30) .....	.....	82		34		116
(October 1–May 31) .....	.....	69		34		103
Santa Rosa	Sonoma	59		34		93
South Lake Tahoe	El Dorado (See also Stateline, NV)	111		38		149
Stockton	San Joaquin	55		30		85
Susanville/Herlong	Lassen	44		26		70
Tahoe City	Placer	63		38		101
Vallejo	Solano	46		30		76
Visalia	Tulare	65		34		99
West Sacramento	Yolo	55		30		85

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
Yosemite Nat'l Park	Mariposa	93		38		131
Yuba City	Sutter	44		30		74
COLORADO						
Aspen	Pitkin.					
(January 15–March 31) .....	.....	160		38		198
(April 1–January 14) .....	.....	67		38		105
Boulder	Boulder.					
(May 1–October 31) .....	.....	93		34		127
(November 1–April 30) .....	.....	70		34		104
Colorado Springs	El Paso.					
(April 1–October 31) .....	.....	67		26		93
(November 1–March 31) .....	.....	51		26		77
Cortez	Montezuma.					
May 1–September 30) .....	.....	59		26		85
October 1–April 30) .....	.....	42		26		68
Denver	Denver, Adams, Arapahoe and Jefferson	92		34		126
Durango	La Plata.					
(June 1–October 14) .....	.....	84		34		118
(October 15–May 31) .....	.....	55		34		89
Fort Collins/Loveland	Larimer.					
(May 1–September 30) .....	.....	55		26		81
(October 1–April 30) .....	.....	50		26		76
Glenwood Springs	Garfield	50		30		80
Grand Junction	Mesa	52		30		82
Gunnison	Gunnison.					
(June 1–October 14) .....	.....	61		26		87
(October 15–May 31) .....	.....	43		26		69
Keystone/Silverthorne	Summit.					
(February 1–August 31) .....	.....	152		38		190
(September 1–January 31) .....	.....	113		38		151
Montrose	Montrose.					
(June 1–September 30) .....	.....	55		26		81
(October 1–May 31) .....	.....	41		26		67
Pagosa Springs	Archuleta.					
(June 1–September 30) .....	.....	53		26		79
(October 1–May 31) .....	.....	47		26		73
Pueblo	Pueblo.					
(June 1–August 31) .....	.....	49		26		75
(September 1–May 31) .....	.....	44		26		70
Steamboat Springs	Routt.					
(December 15–March 31) .....	.....	99		34		133
(April 1–December 14) .....	.....	68		34		102
Telluride	San Miguel.					
(November 1–March 31) .....	.....	154		34		188
(April 1–October 31) .....	.....	87		34		121
Trinidad	Las Animas.					
(June 1–September 30) .....	.....	53		26		79
(October 1–May 31) .....	.....	43		26		69
Vail	Eagle.					
(November 1–March 31) .....	.....	166		38		204
(April 1–October 31) .....	.....	91		38		129
CONNECTICUT						
Bridgeport/Danbury	Fairfield	92		34		126
Hartford	Hartford and Middlesex	80		34		114
New Haven	New Haven	78		30		108
New London/Groton	New London.					
(June 1–October 31) .....	.....	78		34		112
(November 1–May 31) .....	.....	63		34		97
Putnam/Danielson	Windham	63		30		93
Salisbury	Litchfield	86		34		120
Vernon	Tolland	55		26		81
DELAWARE						
Dover	Kent	50		30		80
Lewes	Sussex.					
(June 1–September 14) .....	.....	72		30		102
(September 15–May 31) .....	.....	52		30		82
Wilmington	New Castle	77		34		111

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	= Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}				
DISTRICT OF COLUMBIA					
Washington, DC (also the cities of Alexandria, Falls Church, and Fairfax, and the counties of Arlington, Loudoun, and Fairfax in Virginia; and the counties of Montgomery and Prince Georges in Maryland) (See also Maryland and Virginia)		124		38	162
FLORIDA					
Altamonte Springs	Seminole	65		30	95
Bradenton	Manatee.				
(January 1–May 14) .....	.....	67		30	97
(May 15–December 31) .....	.....	48		30	78
Clewiston	Hendry	46		26	72
Cocoa Beach	Brevard	78		30	108
Daytona Beach	Volusia.				
(February 1–August 31) .....	.....	80		30	110
(September 1–January 31) .....	.....	54		30	84
Fort Lauderdale	Broward.				
(December 15–April 30) .....	.....	89		30	119
(May 1–December 14) .....	.....	65		30	95
Fort Myers	Lee.				
(January 1–April 30) .....	.....	90		30	120
(May 1–December 31) .....	.....	66		30	96
Fort Pierce	Saint Lucie.				
(December 1–April 30) .....	.....	60		26	86
(May 1–November 30) .....	.....	52		26	78
Fort Walton Beach	Okaloosa.				
(April 1–September 14) .....	.....	76		30	106
(September 15–March 31) .....	.....	61		30	91
Gainesville	Alachua	59		30	89
Jacksonville	Duval County; Naval Station Mayport	58		30	88
Key West	Monroe.				
(December 15–April 30) .....	.....	164		38	202
(May 1–December 14) .....	.....	114		38	152
Kissimmee	Osceola.				
(February 1–August 31) .....	.....	71		30	101
(September 1–January 31) .....	.....	60		30	90
Lakeland	Polk.				
(January 1–April 30) .....	.....	61		30	91
(May 1–December 31) .....	.....	51		30	81
Miami	Dade	77		38	115
Naples	Collier.				
(December 15–April 30) .....	.....	103		34	137
(May 1–December 14) .....	.....	58		34	92
Ocala	Marion	44		30	74
Orlando	Orange	65		34	99
Panama City	Bay.				
(March 1–September 14) .....	.....	49		26	75
(September 15–February 29) .....	.....	43		26	69
Pensacola	Escambia	60		30	90
Punta Gorda	Charlotte.				
(December 15–April 14) .....	.....	80		30	110
(April 15–December 14) .....	.....	51		30	81
Saint Augustine	Saint Johns.				
(February 1–August 31) .....	.....	55		30	85
(September 1–January 31) .....	.....	48		30	78
Sarasota	Sarasota.				
(December 15–April 30) .....	.....	89		30	119
(May 1–December 14) .....	.....	55		30	85
Stuart	Martin	66		30	96
Tallahassee	Leon	63		30	93
Tampa/St. Petersburg	Hillsborough and Pinellas	72		26	98
Vero Beach	Indian River.				
(January 15–April 30) .....	.....	71		26	97
(May 1–January 14) .....	.....	58		26	84
West Palm Beach	Palm Beach.				
(January 1–April 30) .....	.....	81		30	111
(May 1–December 31) .....	.....	61		30	91
GEORGIA					
Albany	Dougherty	57		26	83
Athens	Clarke	45		30	75

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
Atlanta	Clayton, De Kalb, Fulton, Cobb and Gwinnett	85		34		119
Augusta	Richmond	52		30		82
Brunswick	Glynn	45		26		71
Columbus	Muscogee	52		30		82
Conyers	Rockdale	49		30		79
Macon	Bibb	51		26		77
Savannah	Chatham	61		26		87
Warner Robins	Houston	47		26		73
IDAHO						
Boise	Ada	61		30		91
Coeur d'Alene	Kootenai	65		26		91
Idaho Falls	Bonneville	55		30		85
Ketchum/Sun Valley	Blaine					
(November 1–March 31) .....	.....	77		38		115
(April 1–October 31) .....	.....	66		38		104
Lewiston	Nez Perce	55		26		81
McCall	Valley	66		30		96
Mountain Home	Elmore					
(May 1–October 31) .....	.....	44		26		70
(November 1–April 30) .....	.....	40		26		66
Pocatello	Bannock	45		30		75
Sandpoint	Bonner					
(July 1–August 31) .....	.....	71		30		101
(September 1–June 30) .....	.....	48		30		78
Stanley	Custer					
(June 1–September 30) .....	.....	56		30		86
(October 1–May 31) .....	.....	51		30		81
Twin Falls	Twin Falls	48		26		74
ILLINOIS						
Alton	Madison	46		30		76
Bloomington	McLean	52		26		78
Champaign/Urbana	Champaign	56		30		86
Chicago	Du Page, Cook and Lake	119		38		157
Danville	Vermilion	45		26		71
Decatur	Macon	51		30		81
Dixon	Lee	43		26		69
East St. Louis	St. Clair	47		30		77
Joliet	Will	54		30		84
Kankakee	Kankakee	53		26		79
Macomb	McDonough	43		26		69
Mattoon	Coles	45		26		71
Morris	Grundy	46		26		72
Pekin	Tazewell	41		26		67
Peoria	Peoria	61		34		95
Rock Island	Rock Island	86		26		112
Rockford	Winnebago	63		38		101
Springfield	Sangamon	52		30		82
INDIANA						
Anderson	Madison	53		26		79
Bedford	Lawrence	46		26		72
Bloomington/Crane	Monroe and Martin	56		30		86
Burlington Beach/Valparaiso	Porter	68		26		94
Carmel	Hamilton	67		38		105
Columbus	Bartholomew	47		30		77
Elkhart	Elkhart	52		26		78
Evansville	Vanderburgh	60		30		90
Fort Wayne	Allen	63		26		89
French Lick	Orange	58		26		84
Gary/Merrillville	Lake	52		30		82
Greenwood	Johnson	51		26		77
Indianapolis	Marion County; Fort Benjamin Harrison	66		30		96
Jasper/Dale	Dubois and Spencer	45		26		71
Jeffersonville/Charlestown	Clark County; Indiana Army Ammunition Plant	46		26		72
Lafayette	Tippecanoe	53		30		83
Logansport	Cass	44		26		70
Madison	Jefferson	46		26		72
Michigan City	La Porte	49		26		75
Muncie	Delaware	50		26		76
Nashville	Brown					
(June 1–October 31) .....	.....	99		30		129

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
(November 1–May 31) .....	.....	77		30		107
New Albany	Floyd	46		26		72
Richmond	Wayne	46		26		72
Seymour	Jackson	45		26		71
South Bend	St. Joseph	61		26		87
Terre Haute	Vigo	51		26		77
IOWA						
Bettendorf/Davenport	Scott	59		30		89
Cedar Rapids	Linn	55		30		85
Des Moines	Polk	61		26		87
Dubuque	Dubuque	46		26		72
Iowa City	Johnson	49		26		75
Sioux City	Woodbury	47		26		73
Waterloo	Black Hawk	47		26		73
KANSAS						
Hays	Ellis	43		26		69
Kansas City	Johnson and Wyandotte (See also Kansas City, MO) ..	63		34		97
Manhattan	Riley	56		26		82
Topeka	Shawnee	49		30		79
Wichita	Sedgwick	63		34		97
KENTUCKY						
Ashland	Boyd	50		26		76
Bowling Green	Warren	48		30		78
Covington	Kenton	60		34		94
Florence	Boone	60		30		90
Frankfort	Franklin	43		26		69
Hopkinsville	Christian	41		26		67
Lexington	Fayette	57		30		87
London	Laurel					
(June 1–September 30) .....	.....	56		30		86
(October 1–May 31) .....	.....	44		30		74
Louisville	Jefferson	67		34		101
Owensboro	Daviess	50		26		76
Paducah	McCracken	52		30		82
Pikeville	Pike	43		26		69
Prestonsburg	Floyd	44		26		70
Somerset	Pulaski	41		26		67
LOUISIANA						
Alexandria	Rapides Parish	48		30		78
Baton Rouge	East Baton Rouge Parish	63		30		93
Bossier City	Bossier Parish	60		26		86
Gonzales	Ascension Parish	57		30		87
Lafayette	Lafayette Parish	51		30		81
Lake Charles	Calcasieu Parish	58		26		84
Monroe	Ouachita Parish	50		26		76
New Orleans	Parishes of Jefferson, Orleans, Plaquemines and St. Bernard	70		34		104
Shreveport	Caddo Parish	55		30		85
Slidell	St. Tammany Parish	48		26		74
MAINE						
Auburn	Androscoggin	44		30		74
Augusta	Kennebec	51		30		81
Bangor	Penobscot					
(July 1–October 31) .....	.....	57		30		87
(November 1–June 30) .....	.....	46		30		76
Bar Harbor	Hancock					
(July 1–September 14) .....	.....	106		30		136
(September 15–June 30) .....	.....	72		30		102
Bath	Sagadahoc	58		26		84
Calais	Washington	58		26		84
Kennebunk/Sanford	York					
(May 1–September 30) .....	.....	88		30		118
(October 1–April 30) .....	.....	52		30		82
Kittery	Portsmouth Naval Shipyard (See also Portsmouth, NH) ..					
(June 1–October 31) .....	.....	73		34		107
(November 1–May 31) .....	.....	53		34		87
Portland	Cumberland					

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
(July 1–October 31) .....	.....	78		34		112
(November 1–June 30) .....	.....	65		34		99
Presque Isle	Aroostook	45		26		71
Rockport	Knox					
(June 15–October 31) .....	.....	95		30		125
(November 1–June 14) .....	.....	63		30		93
Wiscasset	Lincoln					
(July 1–September 14) .....	.....	94		26		120
(September 15–June 30) .....	.....	58		26		84
MARYLAND						
(For the counties of Montgomery and Prince Georges, see District of Columbia)						
Annapolis	Anne Arundel	86		38		124
Baltimore	Baltimore and Harford	93		38		131
Columbia	Howard	80		38		118
Cumberland	Allegany	49		26		75
Easton	Talbot					
(April 1–November 30) .....	.....	59		30		89
(December 1–March 31) .....	.....	54		30		84
Frederick	Frederick	55		30		85
Grasonville	Queen Annes	44		30		74
Hagerstown	Washington	55		30		85
Lexington Park/St. Inigoes/Leonardtown	Saint Marys	57		30		87
Lusby	Calvert	57		30		87
Ocean City	Worcester					
(May 1–September 30) .....	.....	137		38		175
(October 1–April 30) .....	.....	62		38		100
Salisbury	Wicomico					
(June 1–September 14) .....	.....	59		30		89
(September 15–May 31) .....	.....	49		30		79
Waldorf	Charles	44		30		74
MASSACHUSETTS						
Andover	Essex	77		34		111
Boston	Suffolk	116		38		154
Cambridge/Lowell	Middlesex	110		34		144
Hyannis	Barnstable					
(July 1–September 30) .....	.....	121		34		155
(October 1–June 30) .....	.....	74		34		108
Martha's Vineyard/Nantucket	Dukes and Nantucket					
(June 1–October 31) .....	.....	164		38		202
(November 1–May 31) .....	.....	118		38		156
Northampton	Hampshire	59		26		85
Pittsfield	Berkshire	55		34		89
Plymouth	Plymouth					
(June 15–October 31) .....	.....	92		26		118
(November 1–June 14) .....	.....	63		26		89
Quincy	Norfolk	77		30		107
South Deerfield/Greenfield	Franklin					
(May 1–October 31) .....	.....	76		26		102
(November 1–April 30) .....	.....	55		26		81
Springfield	Hampden	67		30		97
Taunton/New Bedford	Bristol	58		26		84
Worcester	Worcester	61		26		87
MICHIGAN						
Adrian	Lenawee	47		26		73
Alpena	Alpena	46		26		72
Ann Arbor	Washtenaw	67		30		97
Battle Creek	Calhoun	48		26		74
Bay City	Bay	49		30		79
Bellaire	Antrim	48		26		74
Cadillac	Wexford	50		26		76
Charlevoix	Charlevoix					
(June 1–September 30) .....	.....	90		30		120
(October 1–May 31) .....	.....	40		30		70
Detroit	Wayne	94		38		132
Drummond Island	Chippewa					
(May 1–October 31) .....	.....	77		26		103
(November 1–April 30) .....	.....	58		26		84
Escanaba	Delta					
(June 1–September 30) .....	.....	53		26		79
(October 1–May 31) .....	.....	40		26		66

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
Flint	Genesee	51		26		77
Frankfort	Benzie					
(June 1–September 30) .....	.....	63		26		89
(October 1–May 31) .....	.....	42		26		68
Gaylord	Otsego					
(June 1–September 30) .....	.....	57		30		87
(October 1–May 31) .....	.....	51		30		81
Grand Rapids	Kent	60		34		94
Grayling	Crawford	51		26		77
Hancock	Houghton	53		26		79
Holland	Ottawa					
(May 1–September 30) .....	.....	59		26		85
(October 1–April 30) .....	.....	50		26		76
Houghton Lake	Roscommon					
(June 1–September 14) .....	.....	46		26		72
(September 15–May 31) .....	.....	41		26		67
Jackson	Jackson	47		26		73
Kalamazoo	Kalamazoo	64		30		94
Lansing/East Lansing	Ingham	57		30		87
Leland	Leelanau					
(May 1–September 30) .....	.....	102		30		132
(October 1–April 30) .....	.....	79		30		109
Ludington	Mason					
(May 1–September 30) .....	.....	53		26		79
(October 1–April 30) .....	.....	41		26		67
Mackinac Island	Mackinac					
(June 1–September 30) .....	.....	121		38		159
(October 1–May 31) .....	.....	76		38		114
Manistee	Manistee	43		26		69
Marquette	Marquette	53		26		79
Midland	Midland	64		26		90
Monroe	Monroe	42		30		72
Mount Pleasant	Isabella	51		26		77
Muskegon	Muskegon	52		26		78
Ontonagon	Ontonagon	49		26		75
Pontiac/Troy	Oakland	74		34		108
Port Huron	St. Clair	52		30		82
Saginaw	Saginaw	47		26		73
South Haven	Van Buren					
(May 1–September 30) .....	.....	80		26		106
(October 1–April 30) .....	.....	48		26		74
St. Joseph/Benton Harbor/Niles	Berrien					
(June 1–September 14) .....	.....	61		30		91
(September 15–May 31) .....	.....	51		30		81
Tawas City	Iosco					
(June 1–September 30) .....	.....	50		26		76
(October 1–May 31) .....	.....	40		26		66
Traverse City	Grand Traverse					
(May 1–September 30) .....	.....	98		30		128
(October 1–April 30) .....	.....	58		30		88
Warren	Macomb	56		26		82
MINNESOTA						
Albert Lea	Freeborn	43		26		69
Austin	Mower	42		26		68
Bemidji	Beltrami	46		26		72
Brainerd	Crow Wing					
(May 1–September 14) .....	.....	46		30		76
(September 15–April 30) .....	.....	40		30		70
Duluth	St. Louis					
(June 1–September 30) .....	.....	61		34		95
(October 1–May 31) .....	.....	51		34		85
Fergus Falls	Otter Tail	47		26		73
Grand Rapids	Itasca					
(June 1–September 30) .....	.....	50		30		80
(October 1–May 31) .....	.....	45		30		75
Hinckley	Pine	46		26		72
Minneapolis/St. Paul	Anoka, Hennepin, Dakota and Ramsey Counties; Fort Snelling Military Reservation and Navy Astronautics Group (Detachment BRAVO), Rosemount	79		38		117
Rochester	Olmsted	61		30		91
St. Cloud	Stearns	45		30		75

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
Winona	Winona	48		26		74
MISSISSIPPI						
Biloxi/Gulfport/Pascagoula/Bay St. Louis	Harrison, Jackson, and Hancock.					
(May 1–September 14) .....	.....	73		30		103
(September 15–April 30) .....	.....	63		30		93
Jackson	Hinds	61		34		95
Natchez	Adams	49		30		79
Oxford	Lafayette	46		26		72
Ridgeland	Madison	51		34		85
Robinsonville	Tunica	61		26		87
Tulepo	Lee	44		26		70
Vicksburg	Warren	52		26		78
MISSOURI						
Branson	Taney.					
(May 1–October 31) .....	.....	85		30		115
(November 1–April 30) .....	.....	58		30		88
Cape Girardeau	Cape Girardeau	46		30		76
Columbia	Boone	48		30		78
Hannibal	Marion.					
(June 1–September 14) .....	.....	57		26		83
(September 15–May 31) .....	.....	45		26		71
Jefferson City	Cole	56		30		86
Joplin	Jasper	45		26		71
Kansas City	Clay, Jackson and Platte (See also Kansas City, KS) ..	63		34		97
Lake Ozark	Miller.					
(May 1–September 30) .....	.....	53		30		83
(October 1–April 30) .....	.....	48		39		78
Osage Beach	Camden.					
(May 15–October 31) .....	.....	62		30		92
(November 1–May 14) .....	.....	51		30		81
Springfield	Greene	56		30		86
St. Louis	St. Charles and St. Louis	74		38		112
MONTANA						
Billings	Yellowstone	48		26		74
Great Falls	Cascade	54		26		80
Helena	Lewis and Clark	44		26		70
Kalispell/Polson	Flathead and Lake.					
(April 15–September 30) .....	.....	51		26		77
(October 1–April 14) .....	.....	45		26		71
NEBRASKA						
Kearney	Buffalo	44		30		74
Lincoln	Lancaster	48		30		78
North Platte	Lincoln.					
(May 1–October 31) .....	.....	46		26		72
(November 1–April 30) .....	.....	42		26		68
Omaha	Douglas	63		30		93
NEVADA						
Elko	All points in Elko County excluding Wendover	51		26		77
Incline Village*.						
(June 1–September 30) .....	.....	143		34		177
(October 1–May 31) .....	.....	101		34		135
Las Vegas	Clark County; Nellis AFB	74		34		108
Reno	All points in Washoe County other than the city of Incline Village.	57		34		91
Stateline	Douglas (See also South Lake Tahoe, CA)	111		38		149
Wendover*	(See also Wendover, UT)	45		26		71
Winnemucca	Humboldt	48		30		78
*Denotes independent cities						
NEW HAMPSHIRE						
Concord	Merrimack.					
(June 1–October 31) .....	.....	68		26		94
(November 1–May 31) .....	.....	59		26		85
Conway	Carroll.					
(June 1–October 31) .....	.....	68		34		102
(November 1–May 31) .....	.....	56		34		90
Durham	Strafford	63		26		89
Hanover	Grafton and Sullivan.					

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
(June 1–October 31) .....	.....	82		38		120
(November 1–May 31) .....	.....	59		38		97
Laconia	Belknap					
(June 1–October 31) .....	.....	69		30		99
(November 1–May 31) .....	.....	52		30		82
Manchester	Hillsborough	65		26		91
Portsmouth/Newington	Rockingham County; Pease AFB (See also Kittery, ME)					
(June 1–October 31) .....	.....	73		34		107
(November 1–May 31) .....	.....	53		34		87
NEW JERSEY						
Atlantic City	Atlantic					
(April 1–November 30) .....	.....	124		38		162
(December 1–March 31) .....	.....	78		38		116
Belle Mead	Somerset	69		34		103
Camden/Moorestown	Camden and Burlington	71		34		105
Edison	Middlesex	65		38		103
Flemington	Hunterdon	59		30		89
Freehold/Eatontown	Monmouth County; Fort Monmouth					
(June 1–September 30) .....	.....	87		34		121
(October 1–May 31) .....	.....	76		34		110
Millville	Cumberland	54		30		84
Newark	Bergen, Essex, Hudson, Passaic and Union	102		38		140
Ocean City/Cape May	Cape May					
(May 15–September 30) .....	.....	141		34		175
(October 1–May 14) .....	.....	89		34		123
Parsippany/Dover	Morris County; Picatinny Arsenal	90		38		128
Princeton/Trenton	Mercer	89		34		123
Salem	Salem	53		26		79
Tom's River	Ocean	68		30		98
NEW MEXICO						
Albuquerque	Bernalillo	70		34		104
Cloudcroft	Otero	74		26		100
Farmington	San Juan	55		30		85
Gallup	McKinley					
(May 1–September 30) .....	.....	52		26		78
(October 1–April 30) .....	.....	47		26		73
Grants	Cibola	47		26		73
Las Cruces/White Sands	Dona Ana	51		26		77
Los Alamos	Los Alamos	75		30		105
Raton	Colfax					
(June 1–August 31) .....	.....	50		26		76
(September 1–May 31) .....	.....	45		26		71
Roswell	Chaves	46		26		72
Santa Fe	Santa Fe					
(May 1–October 31) .....	.....	112		38		150
(November 1–April 30) .....	.....	86		38		124
Silver City	Grant	41		26		67
Taos	Taos					
(December 1–March 31) .....	.....	78		34		112
(April 1–November 30) .....	.....	71		34		105
Tucumcari	Quay	42		26		68
NEW YORK						
Albany	Albany	81		34		115
Auburn	Cayuga	51		26		77
Batavia	Genesee					
(May 1–September 30) .....	.....	60		26		86
(October 1–April 30) .....	.....	53		26		79
Binghamton	Broome	63		34		97
Buffalo	Erie	84		38		122
Catskill	Greene					
(July 1–September 14) .....	.....	72		26		98
(September 15–June 30) .....	.....	63		26		89
Corning	Steuben	61		30		91
Elmira	Chemung	48		26		74
Glens Falls	Warren					
(June 1–October 31) .....	.....	79		34		113
(November 1–May 31) .....	.....	53		34		87
Ithaca	Tompkins	67		26		93
Jamestown	Chautauqua	44		26		70

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	= Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}				
Kingston	Ulster.				
(May 1–October 31)		53		30	83
(November 1–April 30)		48		30	78
Lake Placid	Essex.				
(June 1–November 14)		98		30	128
(November 15–May 31)		59		30	89
Massena/Canton	St. Lawrence	45		26	71
Monticello	Sullivan	60		30	90
New York City	The boroughs of the Bronx, Brooklyn, Manhattan, Queens and Staten Island; Nassau and Suffolk Counties.	142		38	180
Niagara Falls	Niagara.				
(May 15–October 31)		79		30	109
(November 1–May 14)		61		30	91
Oswego	Oswego	60		26	86
Owego	Tioga	59		26	85
Palisades/Nyack	Rockland	60		30	90
Plattsburgh	Clinton.				
(June 1–October 31)		57		30	87
(November 1–May 31)		50		30	80
Poughkeepsie	Dutchess	67		30	97
Rochester	Monroe	72		38	110
Romulus	Seneca	60		26	86
Saratoga Springs	Saratoga.				
(May 1–October 31)		79		34	113
(November 1–April 30)		53		34	87
Schenectady	Schenectady	64		30	94
Syracuse	Onondaga	68		30	98
Troy	Rensselaer	47		34	81
Utica	Oneida	60		30	90
Watertown	Jefferson	59		30	89
Watkins Glen	Schuyler.				
(May 1–October 31)		82		26	108
(November 1–April 30)		58		26	84
West Point	Orange	52		26	78
White Plains	Westchester	104		38	142
NORTH CAROLINA					
Asheville	Buncombe.				
(May 1–October 31)		64		34	98
(November 1–April 30)		50		34	84
Boone	Watauga	44		26	70
Charlotte	Mecklenburg	63		38	101
Duck/Outer Banks	Dare.				
(May 1–September 30)		123		30	153
(October 1–April 30)		57		30	87
Elizabeth City	Pasquotank	48		26	74
Fayetteville	Cumberland	45		26	71
Greensboro/High Point	Guilford	58		30	88
Greenville	Pitt	44		30	74
Jacksonville	Onslow	47		26	73
Kinston	Lenoir	51		26	77
Morehead City	Carteret	60		26	86
New Bern/Havelock	Craven	53		26	79
Research Park/Raleigh/Durham/Chapel Hill.	Wake, Durham and Orange	84		34	118
Salisbury	Rowan	45		26	71
Southern Pines	Moore	44		26	70
Wilmington	New Hanover.				
(March 1–September 30)		56		30	86
(October 1–February 29)		50		30	80
Winston–Salem	Forsyth	62		30	92
NORTH DAKOTA					
Bismarck/Mandan	Burleigh and Morton	45		30	75
Fargo	Cass	48		34	82
Grand Forks	Grand Forks	46		26	72
Minot	Ward	44		26	70
OHIO					
Akron	Summit	72		34	106
Bellevue/Norwalk	Huron.				
(May 1–September 30)		75		26	101

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
(October 1–April 30) .....	.....	40		26		66
Cambridge	Guernsey	58		30		88
Canton	Stark	50		26		76
Chillicothe	Ross	45		26		71
Cincinnati/Evendale	Hamilton and Warren	69		30		99
Cleveland	Cuyahoga	83		38		121
Columbus	Franklin	69		30		99
Dayton/Fairborn	Montgomery and Greene; Wright-Patterson AFB	63		30		93
Defiance	Defiance	50		26		76
East Liverpool	Columbiana	53		26		79
Elyria	Lorain					
(May 1–September 30) .....	.....	60		30		90
(October 1–April 30) .....	.....	52		30		82
Fairfield/Hamilton	Butler	59		26		85
Findlay	Hancock	55		26		81
Geneva	Ashtabula	72		30		102
Jackson	Jackson and Pike	53		26		79
Lancaster	Fairfield	55		26		81
Lima	Allen	47		26		73
Martin's Ferry/Bellaire	Belmont	41		30		71
Port Clinton/Oakharbor	Ottawa					
(May 1–September 30) .....	.....	81		30		111
(October 1–April 30) .....	.....	41		30		71
Portsmouth	Scioto	49		26		75
Sandusky	Erie					
(May 1–September 30) .....	.....	94		30		124
(October 1–April 30) .....	.....	59		30		89
Springfield	Clark	56		30		86
Tinney/Fremont	Sandusky					
(June 1–September 14) .....	.....	69		26		95
(September 15–May 31) .....	.....	56		26		82
Toledo	Lucas	56		30		86
Wapakoneta	Auglaize	42		26		68
Warren	Trumbull	48		30		78
OKLAHOMA						
Ada	Pontotoc	46		26		72
Eufaula	McIntosh	41		26		67
Lawton	Comanche	45		26		71
Muskogee	Muskogee	41		26		67
Norman	Cleveland	56		26		82
Oklahoma City	Oklahoma	56		30		86
Stillwater	Payne	43		26		69
Tulsa/Bartlesville	Osage, Tulsa and Washington	55		30		85
OREGON						
Ashland/Medford	Jackson	78		30		108
Beaverton	Washington	64		34		98
Bend	Deschutes	60		30		90
Clackamas/Milwaukie	Clackamas	63		26		89
Coos Bay	Coos	53		26		79
Crater Lake/Klamath Falls	Klamath	97		26		123
Eugene	Lane	52		30		82
Gold Beach	Curry					
(May 15–October 31) .....	.....	59		30		89
(November 1–May 14) .....	.....	43		30		73
Lincoln City/Newport	Lincoln					
(June 1–October 31) .....	.....	80		34		114
(November 1–May 31) .....	.....	72		34		106
Portland	Multnomah	85		34		119
Salem	Marion	53		26		79
Seaside	Clatsop					
(May 1–September 30) .....	.....	82		30		112
(October 1–April 30) .....	.....	62		30		92
PENNSYLVANIA						
Allentown	Lehigh	61		34		95
Altoona	Blair	48		30		78
Bloomsburg	Columbia	47		30		77
Chambersburg	Franklin	44		26		70
Chester/Radnor	Delaware	88		34		122
Du Bois	Clearfield	50		30		80
Easton	Northampton	59		26		85

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
Erie	Erie.					
(May 1–September 30) .....	.....	66		30		96
(October 1–April 30) .....	.....	59		30		89
Gettysburg	Adams.					
(May 1–October 31) .....	.....	68		30		98
(November 1–April 30) .....	.....	57		30		87
Harrisburg	Dauphin	71		34		105
Johnstown	Cambria	48		26		74
King of Prussia/Ft. Washington	Montgomery County, except Bala Cynwyd (See also Philadelphia, PA).	80		34		114
Lancaster	Lancaster	73		30		103
Lebanon	Lebanon County; Indian Town Gap Military Reservation.					
(April 1–November 30) .....	.....	56		26		82
(December 1–March 31) .....	.....	51		26		77
Mechanicsburg	Cumberland.					
(May 1–October 31) .....	.....	63		26		89
(November 1–April 30) .....	.....	58		26		84
Mercer	Mercer	57		26		83
Philadelphia	Philadelphia County; city of Bala Cynwyd in Montgomery County.	90		34		124
Pittsburgh	Allegheny	83		38		121
Reading	Berks	64		26		90
Scranton	Lackawanna	58		26		84
Shippingport/Beaver Falls	Beaver	47		30		77
Somerset	Somerset	48		26		74
State College	Centre	62		30		92
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RHODE ISLAND						
Block Island/Quonset Point	Washington.					
(May 15–September 30)	83		34		117
(October 1–May 14) .....	.....	66		34		100
East Greenwich	Kent County; Naval Construction Battalion Center, Davisville.	78		34		112
Newport	Newport.					
(May 1–October 14)	92		38		130
(October 15–April 30)	77		38		115
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Florence	Florence	43		30		73
Greenville	Greenville	66		34		100
Hilton Head	Beaufort.					
(March 1–September 30) .....	.....	74		38		112
(October 1–February 29) .....	.....	54		38		92
Myrtle Beach	Horry County; Myrtle Beach AFB.					
(May 1–September 30) .....	.....	106		30		136
(October 1–April 30) .....	.....	58		30		88
Rock Hill	York	44		26		70
Spartanburg	Spartanburg	49		26		75
Sumter	Sumter	50		26		76
SOUTH DAKOTA						
Custer	Custer.					
(June 1–September 30) .....	.....	73		26		99
(October 1–May 31) .....	.....	43		26		69
Hot Springs	Fall River.					
(May 1–September 30) .....	.....	61		26		87
(October 1–April 30) .....	.....	40		26		66
Rapid City	Pennington.					
(June 1–August 31) .....	.....	84		30		114
(September 1–May 31) .....	.....	49		30		79
Sioux Falls	Minnehaha	51		30		81
Spearfish	Lawrence.					

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	= Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}				
(May 1–September 14) .....	.....	65		26	91
(September 15–April 30) .....	.....	40		26	66
TENNESSEE					
Alcoa	Blount	44		26	70
Bristol*	(See also Bristol, VA)	46		26	72
Chattanooga	Hamilton	60		30	90
Clarksville	Montgomery	54		26	80
Columbia	Maury	44		26	70
Gatlinburg	Sevier	70		34	104
Jackson	Madison	47		30	77
Johnson City	Washington	53		30	83
Kingsport	Sullivan	46		30	76
Knoxville	Knox County; city of Oak Ridge	64		34	98
Memphis	Shelby	64		30	94
Murfreesboro	Rutherford	49		26	75
Nashville	Davidson	69		34	103
Shelbyville	Bedford	49		26	75
*Denotes independent city					
TEXAS					
Abilene	Taylor	55		26	81
Amarillo	Potter	59		30	89
Austin	Travis	70		34	104
Bay City	Matagorda	41		26	67
Beaumont	Jefferson	47		30	77
Brownsville	Cameron	62		26	88
College Station/Bryan	Brazos	52		26	78
Corpus Christi/Ingelside	Nueces and San Patricio	64		34	98
Dallas/Fort Worth	Dallas and Tarrant	84		38	122
Denton	Denton	48		26	74
Eagle Pass	Maverick	44		26	70
El Paso	El Paso	72		30	102
Fort Davis	Jeff Davis	67		26	93
Galveston	Galveston				
(May 1–September 14) .....	.....	74		38	112
(September 15–April 30) .....	.....	62		38	100
Granbury	Hood	52		26	78
Houston	Harris County; L.B. Johnson Space Center and Elling- ton AFB.	79		34	113
Kingsville	Kleberg	43		26	69
Lajitas	Brewster	63		30	93
Laredo	Webb	62		26	88
Longview	Gregg	48		26	74
Lubbock	Lubbock	60		30	90
Lufkin	Angelina	44		26	70
McAllen	Hidalgo	62		30	92
Midland/Odessa	Ector and Midland	55		26	81
Nacogdoches	Nacogdoches	50		26	76
Plano	Collin	84		26	110
San Angelo	Tom Green	50		26	76
San Antonio	Bexar	91		30	121
Temple	Bell	49		26	75
Texarkana	Bowie (See also Texarkana, AR)	43		30	73
Tyler	Smith	52		26	78
Victoria	Victoria	49		26	75
Waco	McLennan	56		30	86
Wichita Falls	Wichita	49		26	75
UTAH					
Bullfrog	Garfield				
(April 1–October 31) .....	.....	109		30	139
(November 1–March 31) .....	.....	69		30	99
Cedar City	Iron				
(June 1–September 30) .....	.....	56		30	86
(October 1–May 31) .....	.....	43		30	73
Moab	Grand	77		30	107
Park City	Summit				
(December 1–March 31) .....	.....	132		38	170
(April 1–November 30) .....	.....	69		38	107
Provo	Utah	55		34	89

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
Salt Lake City/Ogden	Salt Lake, Weber, and Davis Counties; Dugway Proving Ground and Tooele Army Depot.	75		34		109
St. George	Washington	48		26		74
Vernal	Uintah.					
(May 1–September 14) .....	.....	55		26		81
(September 15–April 30) .....	.....	44		26		70
Wendover	Tooele (See also Wendover, NV)	45		26		71
VERMONT						
Burlington	Chittenden	64		30		94
Middlebury	Addison.					
(May 1–October 31) .....	.....	72		30		102
(November 1–April 30) .....	.....	56		30		86
Montpelier	Washington.					
(May 15–October 31) .....	.....	65		26		91
(November 1–May 14) .....	.....	49		26		75
Rutland	Rutland.					
(December 15–March 31) .....	.....	68		30		98
(April 1–December 14) .....	.....	53		30		83
White River Junction	Windsor.					
(June 1–October 31) .....	.....	82		30		112
(November 1–May 31) .....	.....	59		30		89
VIRGINIA						
(For the cities of Alexandria, Fairfax, and Falls Church, and the counties of Arlington, Fairfax, and Loudoun, see District of Columbia)						
Blacksburg	Montgomery	50		26		76
Bristol*	(See also Bristol, TN)	46		26		72
Charlottesville* .....	.....	55		38		93
Covington* .....	.....	45		26		71
Fredericksburg* .....	.....	43		30		73
Lexington* .....	.....				
(April 1–October 31) .....	.....	51		26		77
(November 1–March 31) .....	.....	47		26		73
Lynchburg* .....	.....	59		30		89
Manassas/Manassas Park*	Prince William	50		30		80
Petersburg*	Fort Lee	44		26		70
Richmond*	Chesterfield and Henrico Counties; also Defense Supply Center.	64		38		102
Roanoke*	Roanoke	57		34		91
Staunton* .....	.....	46		26		72
Virginia Beach*	Virginia Beach (also Norfolk, Portsmouth and Chesapeake)*.					
(May 1–September 30) .....	.....	108		34		142
(October 1–April 30) .....	.....	68		34		102
Wallops Island	Accomack.					
(June 1–October 14) .....	.....	76		26		102
(October 15–May 31) .....	.....	55		26		81
Warrenton/Amissville	Fauquier and Rappahannock	46		26		72
Waynesboro* .....	.....				
(May 1–October 31) .....	.....	54		26		80
(November 1–April 30) .....	.....	40		26		66
Williamsburg*	Williamsburg (also Hampton, Newport News, York County, Naval Weapons Station, Yorktown)*.					
(April 1–October 31) .....	.....	76		34		110
(November 1–March 31) .....	.....	66		34		100
Wintergreen	Nelson	113		34		147
*Denotes independent cities.						
WASHINGTON						
Anacortes/Mt. Vernon/Whidbey Island ..	Skagit and Island	68		34		102
Bellingham	Whatcom	56		30		86
Bremerton	Kitsap	57		26		83
Friday Harbor	San Juan	79		34		113
Kelso/Longview	Cowlitz	47		30		77
Lynnwood/Everett	Snohomish	61		34		95
Ocean Shores	Grays Harbor.					
(April 1–September 30) .....	.....	75		30		105
(October 1–March 31) .....	.....	59		30		89
Port Angeles	Clallam.					
(May 15–September 30) .....	.....	64		30		94
(October 1–May 14) .....	.....	46		30		76
Port Townsend	Jefferson.					

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	=	Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}					
(April 15–October 31) .....	.....	73		30		103
(November 1–April 14) .....	.....	57		30		87
Richland	Benton	44		30		74
Seattle	King	83		34		117
Spokane	Spokane	67		30		97
Tacoma	Pierce	58		30		88
Tumwater/Olympia	Thurston	63		30		93
Vancouver	Clark	65		30		95
Yakima	Yakima	45		30		75
WEST VIRGINIA						
Beckley	Raleigh	47		26		73
Berkeley Springs	Morgan	82		26		108
Charleston	Kanawha	62		26		88
Harpers Ferry	Jefferson	62		30		92
Huntington	Cabell	51		26		77
Martinsburg	Berkeley	56		26		82
Morgantown	Monongalia	65		26		91
Parkersburg	Wood	55		26		81
Wheeling	Ohio	47		26		73
WISCONSIN						
Appleton	Outagamie	61		30		91
Brookfield	Waukesha	65		34		99
Cable	Bayfield	46		26		72
Eagle River	Vilas					
(June 1–September 30) .....	.....	59		26		85
(October 1–May 31) .....	.....	43		26		69
Eau Claire	Eau Claire	55		30		85
Green Bay	Brown	59		30		89
Kewaunee	Kewaunee					
(June 1–September 30) .....	.....	49		26		75
(October 1–May 31) .....	.....	40		26		66
La Crosse	La Crosse	55		30		85
Lake Geneva	Walworth					
(May 1–October 31) .....	.....	86		30		116
(November 1–April 30) .....	.....	58		30		88
Madison	Dane	62		30		92
Milwaukee	Milwaukee	70		30		100
Mishicot	Manitowoc	54		26		80
Oshkosh	Winnebago	51		30		81
Platteville	Grant	41		26		67
Racine/Kenosha	Racine and Kenosha	58		30		88
Rhineland/Minocqua	Oneida	51		26		77
Sheboygan/Plymouth	Sheboygan	45		30		75
Stevens Point	Portage	45		30		75
Sturgeon Bay	Door					
(June 1–September 14) .....	.....	65		26		91
(September 15–May 31) .....	.....	40		26		66
Superior	Douglas					
(June 1–September 14) .....	.....	50		30		80
(September 15–May 31) .....	.....	42		30		72
Tomah	Monroe	43		26		69
Waupaca	Waupaca	48		26		74
Wausau	Marathon	49		30		79
Wautoma	Waushara					
(June 1–September 30) .....	.....	53		26		79
(October 1–May 31) .....	.....	40		26		66
West Bend	Washington	46		26		72
Wisconsin Dells	Columbia					
(June 1–September 14) .....	.....	105		34		139
(September 15–May 31) .....	.....	56		34		90
Wisconsin Rapids	Wood	42		26		68
WYOMING						
Casper	Natrona	44		30		74
Cheyenne	Laramie	44		30		74
Cody	Park					
(May 1–September 30) .....	.....	83		26		109
(October 1–April 30) .....	.....	40		26		66
Gillette	Campbell					
(May 15–August 31) .....	.....	46		26		72
(September 1–May 14) .....	.....	40		26		66

Per diem locality		Maximum lodging amount (a)	+	M&IE rate (b)	= Maximum per diem rate ⁴ (c)
Key city ¹	County and/or other defined location ^{2, 3}				
Jackson	Teton.				
(June 1–October 14) .....	.....	105		38	143
(October 15–May 31) .....	.....	73		38	111
Pinedale	Sublette	54		26	80
Rock Springs	Sweetwater	44		30	74
Thermopolis	Hot Springs.				
(June 1–September 14) .....	.....	51		26	77
(September 15–May 31) .....	.....	44		26	70

¹ Unless otherwise specified, the per diem locality is defined as “all locations within, or entirely surrounded by, the corporate limits of the key city, including independent entities located within those boundaries.”

² Per diem localities with county definitions shall include “all locations within, or entirely surrounded by, the corporate limits of the key city as well as the boundaries of the listed counties, including independent entities located within the boundaries of the key city and the listed counties.”

³ Military installations or Government-related facilities (whether or not specifically named) that are located partially within the city or county boundary shall include “all locations that are geographically part of the military installation or Government-related facility, even though part(s) of such activities may be located outside the defined per diem locality.”

⁴ Federal agencies may submit a request to GSA for review of the costs covered by per diem in a particular city or area where the standard CONUS rate applies when travel to that location is repetitive or on a continuing basis and travelers' experiences indicate that the prescribed rate is inadequate. Other per diem localities listed in this appendix will be surveyed on an annual basis by GSA to determine whether rates are adequate. Requests for per diem rate adjustments shall be submitted by the agency headquarters office to the General Services Administration, Office of Policy, Planning and Evaluation, Attn.: Travel and Transportation Management Policy Division (MTT), Washington, DC 20405. Agencies should designate an individual responsible for reviewing, coordinating, and submitting to GSA any requests from bureaus or subagencies. Requests for rate adjustments shall include a city designation, a description of the surrounding location involved (county or other defined area), and a recommended rate supported by a statement explaining the circumstances that cause the existing rate to be inadequate. The request also must contain an estimate of the annual number of trips to the location, the average duration of such trips, and the primary purpose of travel to the locations. Agencies should submit their requests to GSA no later than May 1 in order for a city to be included in the annual survey.

Dated: February 27, 1996.

Roger W. Johnson,

Administrator of General Services.

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REMINDERS

The rules and proposed rules in this list were editorially compiled as an aid to Federal Register users. Inclusion or exclusion from this list has no legal significance.

RULES GOING INTO EFFECT TODAY**AGRICULTURE DEPARTMENT**

Organization, functions, and authority delegations:
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ENVIRONMENTAL PROTECTION AGENCY

Air pollution; standards of performance for new stationary sources:
Municipal solid waste landfills; new sources control and emission guidelines for existing sources; published 3-12-96

FEDERAL MARITIME COMMISSION

Organization, functions, and authority delegations:
Economics and Agreement Analysis Bureau, Director; published 3-12-96

HEALTH AND HUMAN SERVICES DEPARTMENT**Food and Drug Administration**

Food additives:
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Meta-tetramethylxylene diisocyanate, etc.; published 3-12-96

NUCLEAR REGULATORY COMMISSION

Miscellaneous amendments; published 3-12-96

COMMENTS DUE NEXT WEEK**AGRICULTURE DEPARTMENT****Agricultural Marketing Service**

Milk marketing orders:
Arizona; comments due by 3-20-96; published 3-13-96
Olives grown in California; comments due by 3-21-96; published 2-20-96
Onions grown in--
Texas; comments due by 3-21-96; published 2-20-96

AGRICULTURE DEPARTMENT**Animal and Plant Health Inspection Service**

Plant-related quarantine, domestic:
Citrus canker; comments due by 3-22-96; published 1-22-96

AGRICULTURE DEPARTMENT**Farm Service Agency**

Program regulations:
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Section 515 rural rental housing loans; comments due by 3-18-96; published 1-17-96

AGRICULTURE DEPARTMENT**Rural Business and Cooperative Development Service**

Program regulations:
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Section 515 rural rental housing loans; comments due by 3-18-96; published 1-17-96

AGRICULTURE DEPARTMENT**Rural Housing and Community Development Service**

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Section 515 rural rental housing loans; comments due by 3-18-96; published 1-17-96

AGRICULTURE DEPARTMENT**Rural Utilities Service**

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COMMERCE DEPARTMENT**National Oceanic and Atmospheric Administration**

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Defense Authorization Act; implementation; comments due by 3-22-96; published 2-21-96

EDUCATION DEPARTMENT

Special education and rehabilitative services:
Projects with industry program; comments due by 3-22-96; published 1-22-96

ENVIRONMENTAL PROTECTION AGENCY

Air programs; State authority delegations:
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Air quality implementation plans; approval and promulgation; various States:
Florida; comments due by 3-22-96; published 2-21-96
Michigan; comments due by 3-22-96; published 2-21-96

South Carolina; comments due by 3-18-96; published 2-16-96

Air quality implementation plans; approval and promulgation; various States; air quality planning purposes; designation of areas:
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Nitrogen oxides emissions reduction program; comments due by 3-19-96; published 2-2-96

Hazardous waste:

Identification and listing--
Petroleum refining process wastes; land disposal restrictions; comments due by 3-21-96; published 2-13-96

State underground storage tank program approvals--
Maine; comments due by 3-22-96; published 2-21-96

Rhode Island; comments due by 3-21-96; published 2-20-96

Water pollution control:

Water quality standards--
Sacramento River, San Joaquin River, and San

Francisco Bay and Delta, CA; surface waters; protection criteria; comments due by 3-19-96; published 12-20-95

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Common and private carrier paging, licensing procedures; competitive bidding; comments due by 3-18-96; published 2-16-96
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Nutrient content claims; general principles; correction; comments

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LIST OF PUBLIC LAWS

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